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EXPLANATORY MATERIALS

ON

THE COMPROMISE AGREEMENT ON S. 999, THE VETERANS' EMPLOYMENT, TRAINING, AND COUNSELING AMENDMENTS OF 1987

PREPARED BY THE

COMMITTEES ON VETERANS' AFFAIRS

OF THE

UNITED STATES SENATE

AND

HOUSE OF REPRESENTATIVES

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EXPLANATORY STATEMENT ON THE COMPROMISE AGREEMENT ON S. 999, H.R. 1504, H.R. 3460, THE VETERANS' EMPLOYMENT, TRAINING, AND COUNSELING AMENDMENTS OF 1988

This document explains the provisions of S. 999 as agreed to by the Senate on August 4, 1987, and passed by the Senate on that date as an amendment to H.R. 1504 (hereinafter referred to as the "Senate bill") and passed again by the Senate on December 19, 1987, the provisions of H.R. 3460 as passed by the House of Representatives on October 27, 1987 (hereinafter referred to as "H.R. 3460"), and the provisions of H.R. 1504 as passed by the House on June 30, 1987 (hereinafter referred to as "H.R. 1504"), and the provisions of a compromise agreement as noted below, except for clerical corrections, conforming changes made necessary by agreements reached between the Committees, and minor drafting, technical, and clarifying changes.

NOMENCLATURE

The Committees note that both the Senate and House (H.R. 3460) bills and the compromise agreement would make changes in the nomenclature for various positions and entities. To simplify the references to those positions and entities in this document, references to them are adopted in the compromise agreement. The following table shows the nomenclature currently used in title 38 and the nomenclature used in the Senate and House bills and in the compromise agreement, together with the acronyms used in this document:

Current law	Senate bill	House bill	Compromise agreement
Assistant Secretary for Veterans' Employment.	Assistant Secretary for Veterans' Employment and Training.	Same	Same [ASVET].
Veterans' Employment Service	Same	do	Veterans' Employment and Training Service [VETS].
State Director for Veterans' Employment.	State Director for Veterans' Employment and Training.	Director for Veterans' Employment and Training.	Same [DVET].
Assistant State Director for Veterans' Employment.	Assistant State Director for Veterans' Employment and Training.	Assistant Director for Veterans' Employment and Training.	Same [ADVET].
Not applicable	Regional Director for Veterans' Employment and Training.	Regional Administrator for Veterans' Employment and Training.	Same [RAVET].

In addition, this document uses the term State employment agency (SEA) for the entity described in chapter 41 of title 38 as the "public employment service system" and "employment service".

ADMINISTRATION OF EMPLOYMENT AND TRAINING PROGRAMS

Section 2 of the compromise agreement would amend section 2002A of title 38, United States Code, relating to the office of the ASVET, to consolidate in that section, with revisions, various provisions of chapter 41 of title 38 relating to the responsibilities of the Secretary of Labor with respect to programs under the jurisdiction of the Secretary for the provision of services designed to meet the employment, job-training, and related needs of eligible veterans and the spouses or surviving spouses of certain veterans and of service personnel who are missing in action or prisoners of war.

A. Responsibilities of the Secretary

Senate bill: The Senate bill (section 2(a) of S. 999) would amend section 2002A of title 38 to incorporate in a new subsection (b)(1) the requirement in sections 2003A(a) and (b), 2006(a) and (b), and 2009(a) for the Secretary of Labor to carry out various veterans' employment and training programs through the ASVET except as otherwise expressly provided (it would be so expressly provided only in section 2010(b)(1) of title 38 as proposed to be amended by section 10 of this measure). The current-law requirements for the Secretary to act through the ASVET would be expanded to include (a) the carrying out of all the provisions of chapter 41 of title 38, relating to veterans' employment, job-training, and related services; and (b) the administration of all veterans' employment and training programs.

House bill: The House bill (section 3(a) of H.R. 3460) is substantively identical to the Senate bill except that it would add a requirement that the Secretary carry out through the ASVET chapter 43 of title 38, relating to veterans' reemployment rights, as well as chapter 41.

Compromise agreement: The compromise agreement (section 2(a)) contains the Senate provision with the House modification.

B. Cooperative Arrangements

Senate bill: The Senate bill (section 2(a)) would amend section 2002A to incorporate in a new subsection (b)(2) a requirement, derived from section 2009(a)(2), that the Secretary, in order to make maximum use of available resources encourage all veterans' employment and training programs and all grantees under such programs to enter into cooperative arrangements with private industry and business concerns (including small business concerns), educational institutions, trade associations, and labor unions.

House bill: The House bill (section 3(a) of H.R. 3460) is substantively identical to the Senate bill.

Compromise agreement: The compromise agreement (section 2(a)) contains this provision.

C. Coordination and Consultation With the Administrator

Senate bill: The Senate bill (section 2(a)) would amend section 2002A to incorporate in a new subsection (b)(3) a requirement, derived from section 2009(a)(3), that the Secretary ensure that maximum effectiveness and efficiency are achieved in providing services and assistance to eligible veterans under all veterans' employment and training programs and through all grantees under each such program by coordinating and consulting with the Administrator with respect to (a) programs conducted under provisions of title 38 other than chapter 41, with particular emphasis in coordination of such program with readjustment counseling activities carried out under section 612A, apprenticeship or other on-job training programs carried out under section 1787, and rehabilitation and training activities carried out under chapter 31; and (b) the Veterans' Job Training Act (29 U.S.C. 1721 note) (VJTA).

House bill: The House bill (section 3(a) of H.R. 3460) is substantively identical to the Senate bill except that it excludes the reference to the VJTA as a program with respect to which the Secretary would be required to coordinate and consult with the Administrator.

Compromise agreement: The compromise agreement (section 2(a)) contains the Senate provision.

D. Coordination of Job Placement Activities

Senate bill: The Senate bill (section 2(a)) would amend section 2002A to require the Secretary to ensure that job placement activities are carried out in coordination and cooperation with appropriate SEA officials.

House bill: The House bill (section 3(a) of H.R. 3460) is substantively identical to the Senate bill.

Compromise agreement: The compromise agreement (section 2(a)) contains this provision.

E. Requirements To Make Funds Available for Disabled Veterans' Outreach Program Specialists (DVOPs) and Local Veterans' Employment Representatives (LVERs)

Senate bill: The Senate bill (section 2(a)) would amend sections 2002A and 2003A, relating to funding for the disabled veterans' outreach program specialists (DVOPs), so as to (a) recodify in a new subsection (b)(5) of section 2002A the provisions in section 2003(a)(1) requiring the Secretary to make funds available for the salaries and expenses of DVOPs in accordance with the formula set forth in section 2003A(a)(2) of current law (section 2003A(a)(1) as proposed to be amended) and to add a similar requirement that funds be made available for the salaries and expenses of local veterans' employment representatives (LVERs) in accordance with the proposed funding formula for LVERs (as explained below in the discussion under the heading "LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES (LVERs)"; (b) require specifically that such funding include amounts for the training, travel, supplies, and fringe benefits of DVOPs and LVERs, including the reasonable expenses and per diem for attendance at the National Veterans' Employment and Training Institute (NVETSI) proposed to be established under a new section 2010A as proposed to be added by the Senate bill); and (c) make the funding requirement subject to the provisions of new subsection (c)(2) of section 2002A requiring that the Secretary, in determining the terms and conditions of a grant or contract under which funds are made available in a State, take into account the evaluation of local employment service offices (LESOs) in the State carried out by the DVETs and ADVETs, as proposed to be required by new section 2003(c)(13) (discussed below under the heading "RESPONSIBILITIES OF PERSONNEL"), and the results of the Secretary's monitoring of the distribution and use of funds provided for use in the State:

House bill: The House bill (sections 2(a) and 5(a) of H.R. 3406) would (a) amend section 2004 of title 38 to add a requirement that funds be made available for LVERs in accordance with a proposed formula for LVER funding (discussed below under the heading "LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES"); (b) in a proposed new section 2009 (discussed below under the heading "NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICES INSTITUTE") require that the Secretary make funding available for the travel and per diem expenses for DVOPs and LVERs (and various other personnel) to attend the NVETSI; and (c) require the Secretary, in determining the terms and conditions of a grant or contract under which funds are made available in a State to carry out section 2003A, relating to DVOPs, or section 2004, relating to LVERs, to (1) take into account the results of the following monitoring activities, all of which would be required by section 2002A as proposed to be amended by the House bill: (1) the Secretary's monitoring of the distribution and use of funds provided for use in the State, of the appointment of DVOPs and assignment of LVERs, and of the participation of qualified veterans and eligible persons under the Job Training Partnership Act (JTPA) and other Federal and Federally-funded employment and training programs and (2) the monitoring of Department of Labor-funded veterans' employment and training programs by the Regional Administrators for Veterans' Employment and Training (a position which would be provided for by the Senate and House bills and compromise agreement in provisions described below under the heading *"I. Regional Administrators for Veterans' Employment and Training"*).

Compromise agreement: The compromise agreement (section 3(a)) contains the Senate provisions.

F. Distribution and Use of Funds for DVOPs and LVERs

Senate bill: The Senate bill (section 2(a)) would amend sections 2002A and 2003A(a)(5), providing that the distribution and use of funds provided to a State for DVOPs shall be subject to the continuing supervision and monitoring of the ASVET and shall not be governed by the provisions of any law, or regulations thereunder, inconsistent with section 2003A, so as to recodify those provisions in a new subsection (c)(1) of section 2002A, make them applicable to LVERs, and provide for the primacy of section 2004 with respect to the distribution of and use of funds for LVERs.

House bill: The House bill (section 3(a) of H.R. 3460) is substantively identical to the Senate bill.

Compromise agreement: The compromise agreement (section 2(a)) contains this provision.

G. Appointment of DVOPs and Assignment of LVERs

Senate bill: The Senate bill (section 2(a)) would amend section 2002A and the third, fourth, and fifth sentences of section 2003A(a)(2) (which would be redesignated as section 2003A(a)(1)), requiring that, in the appointment of DVOPs, preference be given, first, to disabled veterans of the Vietnam era, second, to other disabled veterans, and third, any veteran, so as to (a) require in new subsection (b)(7) of section 2002A that the Secretary monitor the appointment of DVOPs and the assignment of LVERs—in order to ensure compliance with the provisions (in section 2003A(a)(1) and 2004(a)(4), respectively, as proposed to be amended) relating to the qualifications of DVOPs and LVERs—and (b) add an explicit requirement that those to whom preference is to be given be "qualified".

House bill: The House bill (section 3(a) of H.R. 3460) contains provisions substantively identical to the provisions described in item (a), above.

Compromise agreement: The compromise agreement (sections 2(a) and 3(a)) contains these provisions.

H. Opportunities for Veterans Under the Job Training Partnership Act

House bill: The House bill (section 3(a) of H.R. 3460) would amend section 2002A to add a new subsection (b)(7) requiring the Secretary to promote, facilitate, and monitor participation of qualified veterans and eligible persons in employment and training opportunities under the JTPA and other Federal and Federally-funded employment and training programs.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 2(a)) contains this provision with amendments to delete the requirement for facilitating participation and the reference to Federal programs and to specify explicitly in this provision that the functions are to be carried out by the ASVET.

The Committees intend that "Federally-funded employment and training programs" include the VJTA and the Targeted Job Tax Credit program under section 280C of the Internal Revenue Code.

I. Regional Administrators for Veterans' Employment and Training

Senate bill: The Senate bill (section 2(a)) would amend section 2002A to add a new subsection (d) to require the Secretary to assign to each region for which the Secretary operates a regional office a representative of the VETS to serve as a Regional Director for Veterans' Employment and Training.

House bill: The House bill (section 3(a) of H.R. 3460) contains a substantively identical provision except that the title of the position would be changed to Regional Administrator for Veterans' Employment and Training (RAVET) and that each RAVET would be required to be responsible for (a) ensuring the promotion, operation and implementation of all veterans' employment and training programs and services within the region; (b) ensuring proper veterans' employment under Federal contracts within the region;

(c) protecting and advancing veterans' reemployment rights within the region; and (d) coordinating, monitoring, and providing technical assistance on veterans' employment and training programs with respect to all Department of Labor grantees within the region.

Compromise agreement: The compromise agreement (section 2(a)) contains this provision as modified by the House bill and with amendments providing for RAVETs to "monitor" rather than "ensure" Federal contractors' compliance with their obligations with respect to veterans' employment.

J. Deputy Assistant Secretary for Veterans' Employment and Training

House bill: The House bill (section 3(a) of H.R. 3460) would amend section 2002A to add a new subsection (c) establishing statutorily (the position having already been established administratively) the position of Deputy Assistant Secretary of Labor for Veterans' Employment and Training (DASVET) within the Senior Executive Service; requiring that the DASVET be an eligible veteran; and requiring the Secretary to appoint a DASVET in accordance with section 3393 of title 5, relating to the recruitment of career appointees, no later than the beginning of program year 1989.

Senate bill: No provision.

Compromise agreement: No provision.

K. Budgeting

Senate bill: The Senate bill (section 3(b)) would amend section 2006(a) of title 38, under which the Secretary is required to include in the Department of Labor's annual budget funds necessary for the administration of chapters 41, 42, and 43 of title 38, including amounts necessary for the numbers of DVOPs required by the DVOP funding formula in section 2003A and to include in the budget submission a separate listing of the proposed number of DVOPs by State, so as to require that (a) the budget include funding (1) for LVERs in accordance with the new LVER funding formula (proposed to be added by section 2(a), discussed above, of the Senate bill), (2) for the NVETSI (proposed to be established by section 8, discussed below, of the Senate bill), and (3) the reasonable expenses of DVOPs and LVERs for training, travel, supplies, and fringe benefits, including travel expenses and per diem for attending the NVETSI; and (b) the budget submission include (1) a separate listing of LVERs by State, and (2) information demonstrating the compliance of the budget submission with the funding formulas for DVOPs and LVERs and the requirement to provide funding for the NVETSI.

House bill: The House bill (section 3(b) of H.R. 3460) is substantively identical to the Senate provision.

Compromise agreement: The compromise agreement (section 2(b)) contains this provision.

L. Use of Administrative Funds

House bill: The House bill (section 3(c) of H.R. 3460) would amend section 2006(d) of title 38, under which funds available for the proper and efficient administration of chapter 41 are precluded from being made available for any other purpose except with the approval of the Secretary based on a demonstrated lack of need for the funds for administering chapter 41, so as to repeal the exception permitting the use of the funds for a non-chapter 41 purpose.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 2(c)) contains this provision.

M. Reporting Requirements

Senate bill: The Senate bill (section 3(c)) would amend section 2007(c) of title 38, relating to an annual report from the Secretary to the Congress on the success during the preceding fiscal year of the Department of Labor and SEAs in carrying out the provisions of chapter 41 and on activities carried out under section 2003A (DVOPs), so as to (a) provide for the report to be submitted to the appropriate committees of the Congress; (b) specify that the report would be due on February 1 of each year; (c) delete the existing requirement that the report include any determination made under present section 2004 which section 3(c) of the Senate bill would amend to delete the Secretary's authority to allow, based upon a demonstrated lack of need, an LVER not to be assigned to the staff of a local employment service office (LESO); (d) also require a report on activities under section 2004 (LVERs); and (e) require that the report contain information on the operation of programs for the provision of employment and training services designed to meet the needs of veterans, including (1) an evaluation of the effectiveness of such programs in meeting the requirements of proposed new subsection (b) of section 2002A (described above under the heading "ADMINISTRATION OF EMPLOYMENT AND TRAINING PROGRAMS"), (2) the efficiency with which services were provided under such programs, and (3) recommendations for further legislative action relating to veterans' employment, including the need for any changes in the formulas governing the appointment of DVOPs and assignment of LVERs, and the allocation of funds for the support of DVOPs and LVERs, as the Secretary considers appropriate.

House bill: The House bill (section 3(d) of H.R. 3460) is substantively the same as the Senate bill with the exceptions that the House bill would (a) make the report due on December 1 of each year, (b) require that the report include a comparison of the job placement rates for eligible veterans, veterans of the Vietnam era, certain categories of veterans with service-connected disabilities, and eligible persons who registered for assistance with the public employment system with the job placement rate for nonveterans so registered for assistance in each State, and (c) not make specific reference to the possible need for changes in the formulas for the appointment of DVOPs and assignment of LVERs, and the allocation of funds for their support.

Compromise agreement: The compromise agreement (section 2(d)) contains the House provision with amendments requiring that (a) job-placement-rate comparisons be made according to age groups; (b) changing from December 1 to February 1 the annual deadline for the Secretary to report annually to the Committees on Veterans' Affairs of the Senate and the House of Representatives; (c) providing for the reports to be based on program years (July 1 through June 30) rather than fiscal years; and (d) restoring the Senate bill's reference to the possible need for changes in the formulas.

LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES

Present section 2004 of title 38 provides that, except as may be determined by the Secretary of Labor based on a demonstrated lack of need for services, the administrative head of the employment service in each State must assign one or more employees, preferably eligible veterans or eligible persons, to the staffs of local employment service offices, whose services must be fully devoted to discharging the duties prescribed for DVETs and Assistant DVETs.

Major provisions in section 3(a) of the compromise agreement would amend section 2004 to establish formulas for the assignment of LVERs and for the funding and allocation of funding for LVERs, provide for preferences in the assignment of LVERs, and delineate the responsibilities of LVERs.

A. LVER Funding Formula

Senate bill: The Senate bill (section 3(a)) would amend section 2004 of title 38, relating to the assignment to LESO staffs of employees (LVERs) whose services are fully devoted to discharging the duties of veterans' employment representatives, to require that (a) the Secretary, beginning with FY 1988, make available to the States funds sufficient to support the assignment of 1,600 full-time LVERs nationwide, plus the funding necessary to support the States' administration of the LVER program; (b) the funds be allocated to the States (including the District of Columbia, Puerto Rico, and the Virgin Islands) so that each State receives funding for the number of LVERs it had on January 1, 1987, for which funds were provided under chapter 41 (1,379 LVERs according to the Department of Labor) plus one additional LVER; (c) the allocation of funds for the remaining LVER positions up to 1,600 be made pursuant to a formula whereby each State would receive a percentage of those funds equal to the average of (1) the State's percentage of total national veteran population, (2) the percentage of the total of eligible veterans and persons registered with LESOs nationwide who are registered with LESOs in the State, and (3) the State's percentage of the number of full-service LESOs nationwide; and (d) each State's allocation also include funds for the reasonable administrative expenses associated with the number of LVERs for which it is receiving funds.

House bill: The House bill (section 2(a) of H.R. 3460) would amend section 2004 to prescribe an LVER funding formula under which the Secretary would be required to make available during each fiscal year for use in each State an amount sufficient to support (a) one-third of a full-time LVER for each 1,400 eligible veterans or eligible persons who were registered for assistance as of the end of the program year immediately preceding that fiscal year; (b) one-third of a full-time LVER for each 25,000 veterans who were residing in the State at the end of the previous fiscal year; and (c) one-third of a full-time LVER for every LESO in the State at the end of the previous year. In any event, for fiscal year 1988, each State would be required to be provided an amount sufficient to support the number of LVERs in that State as of April 1, 1987. For purposes of determining the number of LVERs under this formula, fractions would be required to be rounded up to the nearest one-half or whole number.

Compromise agreement: The compromise agreement (section 3(a)) contains the Senate provision.

The Committees note their concerns regarding the remoteness of Indian reservations from employment and training services and Native Americans' resulting lack of access to such services. The Committees direct that the ASVET consult with the directors of SEAs in Arizona and South Dakota and in other States with substantial populations of Native Americans living on reservations who are veterans, so that maximum consideration is given to the goal of furnishing those veterans with employment and training services—either itinerant or full-time services—commensurate with their needs. Such assignments would, of course, be made from the number of LVERs allocated to the State in which the reservation is located.

B. Assignment of LVERs

Senate bill: The Senate bill (section 3(a)) would amend section 2004 to require that the LVERs allocated to each State be assigned to LESOs by the administrative head of the SEA, with the concurrence of the DVET, so that as nearly as practicable each LESO with at least 1,100 veteran/eligible-person registrants would have a full-time LVER; one additional LVER would be assigned for each 1,500 additional registrants above the initial 1,100 registrants; and one half-time LVER would be assigned to each LESO at which at least 350 but less than 1,000 such individuals are registered. At an LESO with fewer than 350 such registrants, the head of the office would be responsible for ensuring compliance with provisions in existing law requiring priority services for veterans and priority referral of veterans to Federal contractors.

House bill: The House bill (section 2(a) of H.R. 3460) would amend section 2004 to require that the assignment of LVERs to LESOs be made by the head of the employment service in the State after consultation with the DVET.

Compromise agreement: The compromise agreement (section 3(a)) contains (a) the Senate provision establishing a numerical formula for assigning LVERs to LESOs; (b) the House provision requiring that the assignment of LVERs in a State be made by the head of the SEA after consultation with the DVET; (c) an amendment to section 2002A requiring that, before approving a grant or contract under which funds are made available in a state under new subsection (b)(5) of new section 2002A in order to carry out section 2003A(a) or 2004(a) and (b) of title 38, the Secretary obtain the funding recipient's certification that it will comply with all provisions in chapter 41 of this title; and (d) an amendment to revise the provision relating to LESOs with fewer than 350 such veteran/eligible-person registrants so as to provide that, in the case of any

Wagner-Peyser Act employment services delivery point other than an LESO with 350 or more such registrants—rather than only at an LESO with less than 350 such registrants—the head employee at the services delivery point would have the specified responsibility with respect to services for veterans.

The Committees intend that the annual evaluations of LESOs include an evaluation of compliance with the formula for assigning LVERs.

C. Definition of "Registered"

Senate bill: The Senate bill (section 3(a)) would amend section 2004 to provide that, for the purposes of the formula for the allocation of LVERs, an individual would be considered to be registered for assistance with an LESO during a program year if the individual either registered, or renewed his or her registration, for assistance with the office during that program year or registered or renewed his or her registration with that office during a previous program year and, in accordance with regulations which the Secretary would be required to prescribe, is counted as still being registered for administrative purposes.

House bill: The House bill (section 2(a) of H.R. 3460) contains a substantively identical provision.

Compromise agreement: The compromise agreement (section 3(a)) contains this provision.

D. Preference in Assignments of LVERs

Senate bill: The Senate bill (section 3(a)) would amend section 2004 to require that persons assigned as LVERs after September 30, 1987, be veterans and that preference in the assignment of LVERs be given to qualified veterans with service-connected disabilities which are compensable or for which they were discharged. Under current law, persons assigned as LVER's are to be "preferably eligible veterans or eligible persons".

House bill: No provision.

Compromise agreement: The compromise agreement (section 3(a)) contains this provision with amendments (a) deleting any reference to eligible veteran or person status as a qualification for an LVER assignment but requiring that preference in the assignments be given to qualified eligible veterans or eligible persons in the following order: (1) qualified service-connected disabled veterans, (2) qualified veterans, and (3) qualified eligible persons; and (b) delaying (to July 1, 1988) the effective date of the preference requirement.

E. Definition of Local Employment Service Office (LESO)

House bill: The House bill (section 2(b) of H.R. 3460) would amend section 2001 of title 38, relating to definitions of certain terms used in chapter 41, to add a provision defining the term "local employment service office" as a service delivery point which has an intrinsic management structure and at which employment services are offered in accordance with the Wagner-Peyser Act.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 3(b)) contains this provision.

The Committees intend that a satellite office not be considered to be an LESO, but rather a part of the LESO having jurisdiction over it.

F. Responsibilities of LVERs

Senate bill: The Senate bill (section 3(a)) would amend section 2004 to require that work of LVERS be fully devoted to—

(a) providing, or facilitating the provision of, counseling services to veterans who are certified as eligible for participation in the VJTA program; and

(b) discharging at the local level the duties of DVETs and ADVETs as provided in section 2003(c)(1)(B) and (c)(2) through (12) of title 38, which (as proposed to be amended by section 7(a) of the Senate bill, discussed below) are to—

(1) be functionally responsible for the supervision of the registration of eligible veterans and eligible persons in LESOs for suitable types of employment and training and for counseling and placement of eligible veterans and eligible persons in employment and training programs, including VJTA;

(2) engage in job development and job advancement activities for eligible veterans and persons, including maximum coordination with appropriate VA officials in the VA's carrying out of its outreach services responsibilities and in the conduct of job fairs and other special programs to match eligible veterans and persons with appropriate job and job-training opportunities and otherwise to promote the employment of eligible veterans and eligible persons;

(3) assist in securing and maintaining current information as to the various types of available employment and training opportunities, including maximum use of electronic data processing and telecommunications systems and the matching of an eligible veteran's or person's particular qualifications with an available opportunity commensurate with those qualifications;

(4) promote the interest of employers and labor unions in employing eligible veterans and persons and in conducing on-job training and apprenticeship programs for them;

(5) maintain regular contact with employers, labor unions, training programs, and veterans' organizations with a view to keeping them advised of eligible veterans and persons available for employment and training and to keeping eligible veterans and persons advised of opportunities for employment and training;

(6) promote and facilitate the participation of veterans in Federal and Federally-funded employment and training programs and directly monitor the implementation and operation of such programs to ensure that eligible veterans, veterans of the Vietnam era, service-connected-disabled veterans, and eligible persons receive such priority or

other special consideration in the provisions of services as is required by law or regulation;

(7) assist in every possible way in improving working conditions and the advancement of employment of eligible veterans and eligible persons;

(8) supervise the listing of jobs and subsequent referrals of qualified veterans as required by section 2012 of title 38;

(9) be responsible for ensuring that complaints of discrimination filed under section 2012 are resolved in a timely fashion;

(10) working closely with appropriate VA personnel who provide counseling or rehabilitation services under chapter 31 of title 38, cooperate with employers to identify disabled veterans who have completed or are participating in a vocational rehabilitation training program under chapter 31 and who are in need of employment;

(11) cooperate with the staff of VA readjustment counseling programs for Vietnam-era veterans in identifying and assisting veterans who have readjustment problems and who may need employment placement assistance or vocational training assistance;

(12) when requested by a Federal or State agency or a private employer, assist it in identifying and acquiring prosthetic and sensory aids and devices which tend to enhance the employability of disabled veterans; and

(13) not less frequently than annually, conduct an evaluation at each LESO of the services provided to eligible veterans and eligible persons and make recommendations for corrective action as appropriate.

House bill: The House bill (section 2(a) of H.R. 3460) would prescribe the duties to be discharged by LVERs in a new subsection (b) of section 2004. The prescribed duties would include duties substantively identical to those described in items (4), (5), (8), (10), (11), and (12), above, except that, with respect to item (5), "community leaders" is added to the group with which contact is to be maintained; with respect to item (8), LVER's would be required to "monitor" rather than "supervise" the listings and referrals; and, with respect to item (12), a "service-connected disabled veteran" would be added to those who, upon request, are to be assisted. The other duties would be—

(a) to supervise functionally the provision of services to eligible veterans and eligible persons by LESO staff;

(b) to provide directly, or facilitate the provision of, labor exchange services to eligible veterans and persons in LESOs, including intake and assessment, counseling, testing, job-search assistance, and referral and placement;

(c) to promote, facilitate, and monitor the participation of veterans in Federal and Federally-funded employment and training programs, and monitor the listing of vacant positions with the United States Employment Service by Federal agencies as required by section 3327 of title 5;

(d) to refer eligible veterans and persons to training, supportive services, and educational opportunities, as appropriate; and

(e) to assist, through electronic data processing, in securing and maintaining current information regarding available employment and training opportunities.

Compromise agreement: The compromise agreement (section 3(a)) would prescribe the duties of LVERs as specified in the House bill except that (1) in the provision described in item (c), LVERs would not be required to "facilitate" veterans' participation, the reference to Federal programs would be deleted, and a requirement would be added for LVERs to report to the DVET or ADVET concerned any evidence of failures to provide veterans with the priority or other special consideration required by law or regulation; and (2) a requirement would be added for LVERs to facilitate the provision of guidance and counseling services for veterans certified as eligible for participation under VJTA.

The Committees do not intend that the listing of LVERs' duties in section 2004(b) preclude the assignment of additional duties to LVERs when necessary under unusual circumstances.

PERFORMANCE OF DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS AND LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES

A. Development and Application of Performance Standards

Senate bill: The Senate bill (section 4(a)) would amend chapter 41 to add a new section 2004A, subsection (a) of which would (a) require the Secretary, after consultation with SEAs or their representatives, or both, to prescribe, and provide for the implementation of, standards for the performance of DVOPs and LVERs and monitor the activities of DVOPs and LVERs; (b) require that the standards provide for the effective performance at the local level of the statutory duties of DVOPs and LVERs and include as one of the measures of a DVOP's performance the extent to which the DVOP, while serving in the capacity of a case manager under section 14(b)(1)(A) of VJTA (as proposed to be amended by section 11(b)(1) of the Senate bill (discussed below)), facilitates rates of successful training-completion under VJTA; and (c) authorize the ASVET, in entering into an agreement with a State for the provision of DVOP or LVER funding, personally to make exceptions to the standards to take into account local conditions and circumstances.

House bill: No provision.

Compromise agreement: The compromise agreement (section 4(a)(1)) would amend chapter 41 to add a new section 2004A under which each SEA would be required to develop and apply DVOP and LVER performance standards which are consistent with the statutory duties and functions of DVOPs and LVERs and include as a measure of a DVOPs performance the extent to which the DVOP, as a VJTA case manager, facilitates successful VJTA training-completion rates. In developing the standards, each SEA would be required to take into account model standards (which the Secretary would be required to develop after consultation with the SEAs or their representatives) and any comments of the DVET concerned (to whom the SEA would be required to submit the proposed standards for a 30-day comment period) and would be authorized to take into account the State's personnel merit system requirement and other local circumstances and requirements and to request the assistance of the DVET (who, upon request, would be required to provide appropriate assistance). A freestanding provision in the compromise agreement (section 4(b)) would require each SEA to develop and promulgate the standards as quickly as feasible and to submit the proposed standards to the DVET not later than 12 months after the date on which the Secretary provides it with the prototype standards and to adopt final standards not later than 60 days after receiving the DVET's comments.

The Committees expect SEAs to develop DVOP position descriptions which are based on the standards developed for DVOPs' performance and consistent with their duties and functions as set forth in section 2003A(b) of title 38.

B. Monitoring of Compliance With Performance Standards

Senate bill: The Senate bill (section 4(a)), in subsection (b) of the proposed new section 2004A (described above), would (a) require that DVETs and ADVETs regularly monitor the performance of DVOPs and LVERs through the application of the performance standards; and (b) require each DVET (or the DVET's designee) to submit to the head of the SEA recommendations and comments in connection with each annual performance rating of a DVOP or LVER in the State.

House bill: No provision.

Compromise agreement: The compromise agreement (section 4(a)(1)) contains this provision with amendments authorizing rather than requiring the DVET to submit the recommendations and comments and deleting the express reference to a designee of the DVET submitting the recommendations and comments.

The Committees intend that the DVET's and ADVET's monitoring of the performance of DVOPs and LVERs include but not be limited to (a) a review of quarterly reports provided to DVETs under new section 2004(c) of title 38 with respect to Federal law and regulations with respect to special services and priorities for veterans and other eligible persons; and (b) the annual evaluations, under new clause (13) of section 2003(c), of the services provided by the LESO in question to eligible veterans and eligible persons.

WAIVER OF RESIDENCY REQUIREMENTS FOR DIRECTORS AND ASSISTANT DIRECTORS OF VETERANS' EMPLOYMENT AND TRAINING

Senate bill: The Senate bill (section 5) would amend section 2003(b) of title 38, which requires that, at the time of appointment, a DVET or ADVET be an eligible veteran who has been a resident of the State for at least 2 years, so as to (a) provide that the Secretary, upon determining that it is necessary to consider for appointment as a DVET an ADVET with 2 years of experience, may waive the 2-year State residency requirement; and (b) require that, in the event of such a waiver, preference be given to any equally qualified veteran who meets the residency requirement.

House bill: The House bill (section 7 of H.R. 3406) would amend section 2003(b) to authorize the Secretary to waive the State residency requirement and appoint any qualified veteran as a DVET or an ADVET if the Secretary determines that there is no qualified veteran available who meets the residency requirement.

Compromise agreement: The compromise agreement (section 5) contains the House provision.

SHARING OF INFORMATION REGARDING POTENTIAL EMPLOYERS

A. Department of Defense Assistance to the Department of Labor and Veterans' Administration

Senate bill: The Senate bill (section 6(a)) would amend section 2005 of title 38, relating to Federal agencies' cooperation with the Secretary of Labor in providing employment and training opportunities to veterans, to require the Secretary of Defense—in order to assist the Secretary of Labor and the Administrator of Veterans' Affairs in identifying employers with potential job training opportunities under VJTA and in carrying out chapter 41—to provide to the Secretary and the Administrator, not more than 30 days after the enactment date, the then-current list of employers participating in the National Committee for Employer Support of the Guard and Reserve (NCESGR). After providing the list, the Secretary of Defense would be required to provide, on the 15th of each month, updated information regarding it.

House bill: No provision.

Compromise agreement: The compromise agreement (section 6(a)) contains this provision with an amendment changing the reference to the required list from "the then-current list of employers participating in the [NCESGR]" to "any list maintained by the Secretary of Defense of employers participating in the [NCESGR]".

B. Veterans' Administration/Department of Labor Cooperation

Senate bill: The Senate bill (section 6(a)) would amend section 2008 of title 38, requiring the Secretary of Labor to consult with the Administrator on activities under chapter 41, to require the Administrator to require each VA regional office to provide on a monthly or more frequent basis to appropriate LESOs and Department of Labor (DoL) offices, as designated by the Secretary, the names and addresses of employers which offer approved programs of job training under VJTA in the regional office's area.

House bill: No provision.

Compromise agreement: The compromise agreement (section 6(b)) contains this provision with an amendment requiring that the Administrator, rather than each VA regional office, provide monthly or more frequently to such LESOs and DoL offices the names and addresses of such employers in the areas served by those LESOs and DoL offices.

RESPONSIBILITIES OF PERSONNEL

A. Functional Supervision

Senate bill: The Senate bill (section 7(a)) would amend section 2003(c), relating to the functions of DVETs and ADVETs, to require DVETs and ADVETs to supervise functionally the provision of services to eligible veterans and eligible persons by the SEA and by other employment or training programs administered by the Secretary of Labor, by grantees of Federal or Federally-funded employment or training programs, or by the State.

House bill: The House bill (section 4 of H.R. 3460) contains a substantively identical provision.

Compromise agreement: The compromise agreement (section 7(a)) contains this provision.

The Committees intend "functional supervision" by DVETs and ADVETs to be distinct from "line supervision" by LESO managers. Provision of functional supervision by DVETs and ADVETs is not intended to impose—nor will it impose—a dual management structure on the LVER or DVOP program. Functional supervision is to entail providing technical assistance, making suggestions for improvement of services, helping to plan programs and projects, checking for compliance with ETA regulations affecting veterans, helping to correct errors by working with local and state staffs, analyzing work as it affects veterans and eligible persons, training new state agency employees and providing refresher courses for state agency staff, and bringing matters which require corrective action to the attention of those state agency personnel who have authority over policy, procedures and staff. Functional supervision does not authorize a DVET or ADVET to hire, fire, discipline, or issue directives to state agency employees. Nor does it authorize a DVET or ADVET to make regulations, change procedure, or establish internal policies for the state agency.

B. Responsibilities for Placements in Veterans' Job Training Act Programs and for the Development of Other Opportunities

Senate bill: The Senate bill (section 7(a)) would amend section 2003(c) to (a) specify that, in the current provision requiring DVETs and ADVETs to be functionally responsible for supervising the registration of eligible veterans and persons in LESOs for employment and training and for counseling and placement in employment and job-training programs, the reference to such programs includes programs under VJTA, and (b) clarify that DVETs' and ADVETs' duties to engage in job development and job advancement activities for eligible veterans and persons includes the general responsibility "otherwise to promote the employment of eligible veterans and eligible persons".

House bill: No provision.

Compromise agreement: The compromise agreement (section 7(a)) contains this provision.

C. Veterans' Preference

House bill: The House bill (section 4 of H.R. 3460) would amend section 2003(c) to require DVETS and ADVETS to monitor the implementation of Federal laws requiring preference for veterans in employment and job advancement opportunities within the Federal Government.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 7(a)) contains this provision with an amendment requiring DVETs and ADVETs to report evidence of noncompliance to the Office of Personnel Management (OPM) for appropriate enforcement or remedial action.

D. Listing of Job Vacancies

House bill: The House bill (section 4 of H.R. 3460) would amend 2003(c) to require DVETS and ADVETS to monitor the listing of vacant positions with the United States Employment Service by Federal agencies as required by section 3327 of title 5.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 7(a)) contains this provision with amendments requiring that the monitoring be carried out through DVOPs and LVERs and that DVETs and ADVETs report evidence of noncompliance to OPM for appropriate enforcement or remedial action.

E. Evaluations

Senate bill: The Senate bill (section 7(a)) would amend section 2003(c) to require DVETs and ADVETs to conduct, not less frequently than annually, evaluations of services provided to eligible veterans and persons at each LESO and to make recommendations for corrective action as appropriate.

House bill: No provision.

Compromise agreement: The compromise agreement (section 7(a)) contains this provision with an amendment requiring that the evaluations be conducted at LESOs in accordance with the following order of priority: (a) those that have demonstrated less-than-satisfactory performance during either of the two previous program years; (b) LESOs with the largest numbers of veterans registered during the previous program year; and (c) other LESOs as resources permit.

F. Additional Duties of DVOPs

Senate bill: The Senate bill (section 7(b)) would amend section 2003A(c) of title 38, relating to the functions of DVOPs, (a) to clarify that the DVOP responsibility to provide appropriate assistance to community-based groups and organizations and grantees under Federal and Federally-funded employment and training programs in serving eligible veterans includes assisting those entities receiving funding under part C of title IV of the JTPA, relating to certain employment programs for service-connected disabled and Vietnam-era veterans and those recently separated from military service; (b) clarify that the DVOP responsibility to consult and coordinate with representatives of Federal, State, and local programs in order to develop linkages to promote employment opportunities for, and provide employment assistance to, veterans includes consulting and coordinating with representatives of the VJTA program; and (c) add the following DVOP responsibilities: (1) providing counseling services to veterans with respect to their selection of and changes in vocations and to their vocational adjustment, and (2) providing services as case managers under paragraph (1)(A) of proposed new subsection (b) (discussed below) of section 14 of VJTA.

House bill: No provision.

Compromise agreement: The compromise agreement (section 7(b)) contains this provision with an amendment providing for DVOPs to be responsible for providing "vocational guidance or vocational counseling services, or both" to veterans, rather than "counseling services."

NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICE INSTITUTE

Senate bill: The Senate bill (section 8) would amend chapter 41 to add a new section 2010A, entitled "National Veterans Employment and Training Service Institute", to require the ASVET, for the purpose of providing for such training as the Secretary considers necessary and appropriate for the efficient and effective provision of employment, job-training, placement, and related services to veterans, to establish and make available such funds as may be necessary to operate a National Veterans' Employment and Training Services Institute (NVETSI) for the training of DVOPs, LVERs, DVETs and ADVETs, and such other personnel involved in the provision of employment, job-training, counseling, placement, or related services to veterans as the Secretary considers appropriate.

House bill: The House bill (section 5 of H.R. 3460) would revise present section 2009 of title 38, the current provisions of which would be supplanted under the House bill by proposed amendments to section 2004 and 2007, to incorporate a provision substantively identical to the Senate provision with the addition of a provision specifying that the funding required to be made available for the operation of the NVETSI would include travel expenses and per diem for attendance at the NVETSI.

Compromise agreement: The compromise agreement (section 8) contains the House provision with an amendment (a) requiring the Secretary, as the Secretary considers appropriate, to provide out of the program funds designated for the NVETSI, training of VETS personnel at the NVETSI, including their travel expenses and per diem; and (b) changing the word "Service" to "Services" in the title of the Institute.

SPECIAL UNEMPLOYMENT STUDY

Senate bill: The Senate bill (section 9) would amend chapter 41 to add a new section 2010B, entitled "Special unemployment study", requiring the ASVET, through the Bureau of Labor Statistics to conduct every two years, and report to the Congress on, studies of unemployment among (a) special disabled veterans (that is, those who either (1) have a service-connected disability rated at 30 percent or more, (2) have a service-connected disability rated at 10 or 20 percent and have been determined for purposes of the VA's program of vocational rehabilitation for service-connected disabled veterans to have a serious employment handicap, or (3) were discharged or released from active duty because of a service-connected disability; and (b) veterans who served in the Vietnam Theater during the Vietnam conflict. The first study would be required to be completed by July 1, 1988.

House bill: No provision.

Compromise agreement: The compromise agreement (section 9) contains this provision with an amendment requiring the first study to be completed not later than six months after the enactment date.

SECRETARY'S COMMITTEE ON VETERANS' EMPLOYMENT

Senate bill: The Senate bill (sections 10 and 12(a)(3)) would amend section 2010(b)(1) of title 38, relating to the membership of the Secretary of Labor's Committee on Veterans' Employment, so as to (a) add to the membership representatives of the Secretary of Education and the Postmaster General, and (b) require the Secretary to continue to chair the Committee notwithstanding the general requirement, in proposed new subsection (b)(1) of section 2002A (discussed above), that the Secretary carry out chapter 41 through the ASVET.

House bill: The House bill (sections 6 and 8(a)(3) of H.R. 3460) contains substantively identical provisions and a provision also adding a representative of the Director of the ACTION Agency to the Committee.

Compromise agreement: The compromise agreement (section 10) contains the Senate provisions with an amendment to authorize the Secretary (not the ASVET) to add a representative of any other Federal agency which has requested to be represented on the Committee.

REVISIONS OF NOMENCLATURE

A. Secretary of Labor

Senate bill: The Senate bill (section 12(a)(1) and (2)) would define the term "Secretary" as the Secretary of Labor and make a series of conforming amendments.

House bill: The House bill (section 8(a)(1) and (2) of H.R. 3460) contains an identical provision.

Compromise agreement: The compromise agreement (section 13(a)(1) and (2)) contains this provision.

B. Assistant Secretary for Veterans' Employment and Training-Directors and Assistant Directors for Veterans' Employment and Training

Senate bill: The Senate bill (section 12(b)) would make a series of amendments to chapter 41 to add "and Training" to the titles of Assistant Secretary for Veterans' Employment, State Director for Veterans' Employment, and Assistant State Director for Veterans' Employment each time they appear.

House bill: The House bill (section 8 of H.R. 3460) contains identical provisions and also deletes the word "State" from the titles of State and Assistant State Director for Veterans' Employment.

Compromise agreement: The compromise agreement (section 13(a)(3)) contains the House provision.

VETERANS' JOB TRAINING ACT (VJTA)

A. Case-Management and Services

Senate bill: The Senate bill (section 11) would amend section 14(g) of the VJTA, relating to certain counseling and information services for veterans participating in job training programs under VJTA, so as to require the Administrator and the Secretary jointly to provide for a program under which—except where the Secretary determines that either the employer has an appropriate and effective employee assistance program which is available to all veterans participating in the employer's VJTA job training programs, or the rate of veterans' successful completion of the employer's VJTA job training programs, either cumulatively or during the previous program year, is 60 percent or higher—(a) a DVOP is assigned as a case manager for each veteran participating in a VJTA job-training program; (b) the veteran has an in-person interview with the case manager not later than 60 days after entering into such a program; and (c) not less frequent than monthly contact is maintained with the veteran for the purposes of (1) avoiding unnecessary termination of employment, (2) referring the veteran to appropriate counseling, if necessary, (3) facilitating the veteran's successful completion of such program, and (4) following up with the employer and the veteran in order to determine the veteran's progress in the program and the outcome regarding the veteran's participation in, and successful completion of, the program. Under current law, the Secretary alone is required to provide for a program of periodic contact and only for the purposes stated in items (a), (b), and (c), above. In addition, the Senate bill would amend section 7(d) of the VJTA, relating to the certification which an employer must provide with its application for approval of a job training program for VJTA purposes, to require that the employer certify that, as applicable, the employer will provide to each veteran participating in a VJTA job training program of the employer the full opportunity to participate during the veteran/employee's normal workday in a personal interview with a case manager.

House bill: No provision.

Compromise agreement: The compromise agreement (section 11(a)(1) and (4)) contains these provisions with amendments to (a) delete the requirement that the Administrator jointly provide for the program;[1] and (b) provide that no case manager is to be assigned if, on the basis of a recommendation by a DVOP, the Secretary determines that the services of a case manager are not needed for an individual participant.

B. Services to Non-Completers

Senate bill: The Senate bill (section 11(b)) would amend present section 14 of the VJTA, relating to counseling services, to add a new subsection (c) that would require that, before, a veteran who has voluntarily terminated, or was involuntarily terminated by his or her employer, from a VJTA job training program may be eligible for a new or renewed certificate of VJTA eligibility, the veteran must be provided by the Administrator with appropriate vocational counseling in light of the termination.

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[1] The compromise agreement requires the Secretary to provide for the program.

House bill: No provision.

Compromise agreement: The compromise agreement (section 11(a)) contains this provision with an amendment requiring the Secretary, in consultation with the Administrator, to provide the veteran with the services of a case manager—rather than vocational counseling.

C. Counseling and Information Services

Senate bill: The Senate bill (section 11(b)) would amend section 14(b) of the VJTA, requiring the Secretary to provide for certain counseling and information services for veterans participating in job-training programs (after consultation with the Administrator as to certain matters), so as to (a) require that the program be carried out jointly by the Secretary and the Administrator; (b) with respect to services designed to resolve difficulties that may be encountered by veterans during their VJTA training, specify that the services be provided pursuant to subchapter IV of chapter 3 of title 38, relating to the VA's program of veterans outreach services, section 612A, relating to readjustment counseling for Vietnam-era veterans, section 2003A, relating to DVOPs, and section 2004, relating to LVERs; and (c) modify the existing general requirement that all participating veterans and employers be advised of the availability of such counseling services and other related services and assistance and encouraged to request them whenever appropriate so as to require specifically that a program of information services be established under which each veteran who enters into a VJTA program of job training and each VJTA employer would be informed of the supportive services and resources available to the veteran under VJTA through (1) the above-mentioned case-manager and difficulty-resolution services, (2) VA counseling and career-development activities (especially, in the case of a Vietnam-era veteran, readjustment counseling services under section 612A of title 38), and services under part C of title IV of the JTPA, and (3) other appropriate agencies in the community.

House bill: No provision.

Compromise agreement: The compromise agreement (section 11(a)) contains this provision with an amendment specifying that the above-described programs of counseling or other services and information would be provided "to the extent feasible".

D. Employability Training and Counseling

House bill: The House bill (section 5 of H.R. 1504) would amend section 14(a) of the VJTA, relating to employment counseling services for veterans eligible to participate in VJTA; to require the Administrator (a) after consultation with the Secretary, to provide a program of employability training and counseling services designed to assist veterans in finding, applying for, and successfully participating in a suitable program of job training under the VJTA; and (b) to coordinate such services, to the extent practicable, with the VA readjustment counseling program for Vietnam-era veterans under section 612A of title 38 and advise veterans participating under VJTA of the availability of such services and encourage them to request such services whenever appropriate. In addition, section 16 of the VJTA, relating to the authorization of appropriations, would be amended so that not less than 5 percent of any amount appropriated pursuant to section 16 after June 3, 1987, would be required to be made available for VJTA counseling services, especially with respect to this program of employability training and counseling services.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 11(a)(2)) contains the House provision with amendments to (a) specify that a program of job-readiness skills development and counseling services is to be designed to assist veterans in need of such services; (b) to delete the proposed 5-percent set-aside of VJTA appropriations and require instead that payments for job-readiness skills development and counseling services under VJTA be paid out of the same account (the VA's readjustment benefits account) as are funds for providing services under section 1504(a)(7), relating to the provision of vocational and other training services and assistance as part of the programs of rehabilitation for certain veterans with service-connected disabilities under chapter 31 of title 38; and (c) to limit to an amount equal to 5 percent of the amount obligated under the VJTA for a fiscal year the amount which may be paid for such development services during that year, except that in FY 1988 the limit would be 5 percent of the VJTA funds available ($27,647,949) on October 1, 1987.

The Committees intend that the VA, before placing a VJTA-eligible veteran in such a program of job-readiness skills development and counseling services, must find that the regular services of LVERs and the DVOP case-management services are not sufficient for the eligible veteran to participate successfully in a suitable VJTA program.

E. Discontinuance of Approval of Participation in Programs of Employers With Unsatisfactory Completion Rates

Senate bill: The Senate bill (section 11(c)) would amend section 11 of VJTA, relating to the discontinuance of approval of veterans' participation in programs of job training under VJTA, to provide that, if the Secretary determines, after consultation with the Administrator and in accordance with regulations which the Administrator and Secretary would be required jointly to prescribe, that the rates of veterans' successful completion in an employer's VJTA program is disproportionately low, the Administrator must disapprove participation in the employer's job-training programs on the part of veterans who had not begun participation on the date that the employer is notified of the disapproval. The VA would be required to give notice—by certified or registered letter, with a return receipt requested—of the disapproval, the reasons for it, and the opportunity for a hearing. The Senate bill also would require that a disapproval remain in effect as to new enrollments of veterans until the Administrator determines that adequate remedial action has been taken. In determining whether remedial actions taken by the employer are adequate to ensure future avoidance of a disproportionately low rate of successful completion, the Administrator would be authorized—except in the case of an employer having an appropriate employee assistance program or VJTA completion rates of 60 percent or higher—to condition the reinstatement of approval on the use of a modified payment formula under which in the case of a program of job training of 4 or more months' duration, payments for the initial months (up to the first 4) would be reduced from 50 percent to 30 percent of the veteran's starting wage; for any period after the first 4 months, payments to the employer would be increased to 50 percent of the veteran's starting wage; and the amounts so withheld would be paid to the employer upon the veteran's completion of the job training program. In the case of a program of less than 4 months duration, payment for the months prior to the final scheduled month would equal 30 percent of the veteran's starting wage.

House bill: No provision.

Compromise agreement: The compromise agreement (section 11(b)) would require the Administrator, if the Administrator determines that an employer has a disproportionately low VJTA completion rate due to a deficiency in the quality of its training programs, to disapprove new enrollments of veterans in the employer's VJTA programs until the Administrator determines that adequate remedial action has been taken. In making that determination, the Administrator would be required to use appropriate available VA data, including (a) the quarterly data provided by the Secretary with respect to the numbers of veterans who receive counseling in connection with VJTA training, are referred to VJTA employers, participate in job training under VJTA, complete or do not such training, and the reasons for non-completion; and (b) any data compiled through the particular employer's compliance surveys.

F. Authorization of Appropriations

Senate bill: The Senate bill (section 11(d)) would amend section 16 of the VJTA, relating to the authorization of VJTA appropriations, so as to (a) authorize appropriations of $60 million for each of fiscal years 1988 and 1989, expressly in addition to the authorization in the Stuart B. Mckinney Homeless Assistance Act (Public Law 100-77), which authorized appropriations totalling $65 million for fiscal years 1986, 1987, and 1988; and (b) provide that the funds would remain available through the end of fiscal year 1991.

House bill: The House bill (section 3 of H.R. 1504) would amend section 16 of the VJTA to (a) authorize the appropriation of $30 million for fiscal year 1987 and $60 million for each of fiscal years 1988, 1989, and 1990; and (b) provide that funds would remain available through the end of fiscal year 1992.

Compromise agreement: The compromise agreement (section 11(c)) would (a) authorize appropriations of $60 million for each of fiscal years 1988 and 1989; and (b) provide for the availability of funds through the end of fiscal year 1991.

G. Reobligation of Funds

Senate bill: The Senate bill (section 11(d)) would amend section 16 of the VJTA to (a) provide that any refunds appropriated for the

VJTA for any fiscal year which are obligated for the purpose of making payments to an employer on behalf of a veteran participating in a VJTA job-training program—including funds so obligated which previously has been obligated for that purpose on behalf of another veteran and were thereafter de-obligated—and are later de-obligated, would immediately upon de-obligation become available for re-obligation for VJTA payments; and (b) provide that no officer or employee in the executive branch would be permitted to delay in any manner, directly or indirectly, the re-obligation of the funds.

House bill: No provision.

Compromise agreement: The compromise agreement (section 11(c)) contains this provision.

H. Deadlines for Veterans' Applications and Entry Into Training

Senate bill: The Senate bill (section 11(e)) would amend section 17 of the VJTA, relating to the deadlines by which eligible veterans must apply for participation in the VJTA program and enter into training under the program, to extend the deadline for a veteran to apply for participation in the program from December 31, 1987 (at the time of Senate passage), to June 30, 1989, and the deadline by which a veteran participant in VJTA must enter a job training program from June 30, 1988 (at the time of Senate passage) to December 31, 1989.

House bill: The House bill (section 2 of H.R. 1504) would amend section 17 of the VJTA to extend the deadlines to September 30, 1990, and March 30, 1991, respectively.

Compromise agreement: The compromsie agreement (section 11(d)) would extend the application deadline to September 30, 1989, and the training-program-entry deadline to March 31, 1990.

The Committees note that with the enactment of section 201 of the Veterans' Compensation Amendments of 1987 on December 31, 1987, the deadline for eligible veterans to apply for VJTA training was extended from December 31, 1987, to June 30, 1988.

I. Data on Participation

Senate bill: The Senate bill (section 11(g)) would require the Secretary, on a not less frequent than quarterly basis, to collect from the heads of SEAs and from DVETs information available to them and information derived from programs carried out in their respective States with respect to the numbers of veterans who receive counseling services pursuant to section 14 of VJTA, are referred to employers participating under VJTA, participate in VJTA programs of job training, and complete such programs, and the reasons for the veterans' non-completion.

House bill: No provision.

Compromise agreement: The compromise agreement (section 11(f) contains this provision.

J. Expansion of Eligibility

Senate bill: The Senate bill (section 11(a)) would amend section 5(a)(1) of the VJTA, relating to the eligibility criteria for a veteran to participate in a program of job training under the VJTA, to expand those criteria. Under current law, eligibility is limited to unemployed veterans with service during the Korean conflict or Vietnam era who have been unemployed at least 10 of the 15 weeks preceding their application and who either served on active duty for more than 180 days or were discharged or released for a service-connected disability or are entitled to VA service-connected disability compensation. The Senate bill would expand eligibility by (a) eliminating the requirement for service during the Korean conflict or Vietnam era; and (b) eliminating the 10-of-15-week unemployment criterion for certain veterans who are unemployed as the result of a plant closing or major reduction in employment by their previous employer. In addition, S. 477 (section 106), the proposed "Homeless Veterans' Assistance Act of 1987", as passed by the Senate on March 31, 1977, would eliminate the length-of-unemployment eligibility criterion for homeless veterans and veterans with service-connected disabilities rated at 30 percent or more.

House bill: The House bill (section 4 of H.R. 1504) would require the VA to conduct a study—and report its findings and conclusions within 180 days after the date of enactment—to determine (a) the number of veterans who are unemployed as a result of a permanent closure of a plant or other facility or any substantial portion thereof; (b) the percentage of these veterans who are disabled; (c) the degree of concentration of these veterans in the different geographical areas of the country; and (d) the types of employment in which these veterans were engaged on a regular basis before their current unemployment.

Compromise agreement: The compromise agreement does not contain these provisions.

TRAINING AND EMPLOYMENT STUDY AND REPORT

House bill: The House bill (section 4 of H.R. 1504) would require the Administrator and the Secretary to conduct a study of the implementation of the VJTA and transmit to the Congress, within 90 days after the date of enactment, a report containing the findings and conclusions of the study, including (a) a listing, by regional office and by State, of the number of veterans placed in VJTA job training programs and the percentage that that number represents of the total number of veterans certified (not including renewal of certifications), by regional office and by State, as eligible for participation under VJTA; (b) a description, by regional office and by State, of the demographic nature (including race, sex, age, educational level, income before placement, and income after placement) of veterans placed in VJTA program; (c) a description, by regional office and by State, of the demographic nature (including, race, sex, age, educational level, and income) of veterans certified as eligible for participation under VJTA but not placed in a job training program; (d) an analysis of the reasons that veterans certified as eligible for participation have not been placed in a program of job training under VJTA; (e) a listing, by regional office and by State, of the number of veterans who were certified as eligible for VJTA participation and were not placed in a program of job training under VJTA but were later placed in another job training program or employment; (f) a description, by regional office and by State, of the rate at which veterans have discontinued participation in, without completing, a program of job training under VJTA with a separate rate stated for those who discontinued within 3 months after beginning such a program, and those who discontinued within 6 to 9 months after such beginning; (g) an analysis of the major reasons for veterans failing to complete such a training program; (h) a ranking of the 25 categories of employers who have most frequently been denied VJTA approval of a program of job training, with the ranking being made on the basis of the number of such denials for each such category; and (i) a ranking of the 25 categories of employment in which veterans have most frequently received employment as a result of a VJTA program with the ranking being made on the basis of the number of jobs provided in each category.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 12) contains this provision with amendments (a) to require that the Administrator alone provide for the study and that it be transmitted to the appropriate Committees of the Congress[2] within one year after enactment; (b) to provide expressly for the study to be based on statistically valid samplings and for the requisite data to be provided "to the extent feasible"; and (c) to change the reference to categories of employers to categories of employment.

STATE APPROVING AGENCIES

House bill: The House bill (section 6 of H.R. 1504) would amend section 1774 of title 38, relating to the reimbursement of expenses of State and local agencies (known as "State Approving Agencies" (SAAs), for reasonable and necessary expenses of salary, travel, and administration incurred in performing contracts with the VA for the approval of courses of education and programs of training on-the-job for purposes of VA education benefits, so as to (a) transfer the SAA funding from the VA's general operating expenses account to the readjustment benefits account; (b) require the VA to reimburse SAAs for their reasonable and necessary expenses up to a cap of $12 million annually and specify that, for any fiscal year in which the total amount of reasonable and necessary expenses of SAAs exceeds $12 million, each SAA would receive the same percentage of the $12 million as it would have received of the total amount if the $12 million limitation did not exist; (c) require that each SAA with which the VA contracts submit to the Administrator on a monthly or quarterly basis, as determined by the SAA, a report certifying its reasonable and necessary expenses incurred for salary and travel in carrying out the contract with the Administrator; (d) require the VA to make the payment to the SAA within a reasonable time after the submission of such a report; and (e) require the Administrator to transmit to the Congress a quarterly report which summarizes the amounts for which the SAA submitted certifications for the quarter and the amounts of the payments made by the Administrator with respect to those certifications.

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[2] The compromise agreement specifies the Committees on Veterans' Affairs.

Senate bill: No provision.

Compromise agreement. The compromise agreement (section 14) contains these provisions with amendments (a) providing that, in the case of payment made to an SAA for FY 1988—before the date of enactment of this bill from an account other than the account used for payment of readjustment benefits—the account from which the payment was made would be reimbursed from the account used for payment of readjustment benefits, and (b) to add (to subchapter I of chapter 36 of title 38, relating to SAAs) a new section 1774A, entitled "Evaluations of agency performance; qualifications and performance of agency personnel". This new section would (a) require the Administrator to (1) conduct, in conjunction with SSAs, an annual evaluation of each SAA on the basis of standards developed by the Administrator with the cooperation of the SSAs and give each SAA an opportunity to comment on its evaluation, (2) take into account the results of the annual evaluation of an SAA when negotiating the terms and conditions of a contract or agreement with the SAA under section 1774 of title 38, (3) supervise functionally the provision of approval services by SSAs under the subchapter, (4) cooperate with SAAs in developing and implementing, to the extent practicable, a uniform national curriculum for training new SAA employees and for the continuing training of SAA employees, and sponsor, with the SAAs, the provision of such training, (5) prescribe prototype qualification and performance standards, developed in conjunction with SAAs, for use by the SAAs in the development of qualifications and individual performance standards for SAA personnel carrying out duties under a contract or agreement entered into under section 1774(a), and (6) provide assistance to an SAA requesting such assistance in developing its personnel qualifications and performance standards; (b) require each SAA carrying out a contract or agreement with the Administrator under section 1774(a) after the 18-month period beginning on the date of enactment to (1) apply qualification and performance standards based on the prototype standards prescribed by the Administrator, and (2) make available to any person, upon request, the criteria used to carry out its functions under a contract or agreement entered into under section 1774(a); (c) provide an exemption from the new qualification standards for those SAA personnel who were performing their duties under subchapter I satisfactorily on the date of enactment and who continue to perform satisfactorily; and (d) authorize an SAA, in developing and applying its qualifications and performance standards, to take into consideration the State's merit system requirements and other local requirements and conditions.

For the purposes of implementing this new section, a free-standing provision would (a) require the Administrator to publish the prototype standards within 120 days after the enactment date; (b) require each SAA to submit to the Administrator, within one year after the Administrator has prescribed the prototype standards, a copy of the standards to be implemented by the SAA; and (c) authorize the Administrator, within 30 days of receiving an SAAs standards, to provide comments to the SAA, especially with regard to whether the standards are consistent with the prototype standards developed by the Administrator.

The compromise agreement would also amend section 1771(b)(1) of title 38—which provides that, if a State fails or declines to create or designate a SAA, the provisions of chapter 36, relating to the administration of educational benefits, which refer to the SAA would, with respect to that State, be deemed to refer to the administrator—so as to provide for course approvals by the VA if a State does not enter into an agreement under section 1774(a).

The compromise agreement would amend section 1782 of title 38, which prohibits Federal agencies and officers from exercising any supervision or control over SAAs, State educational agencies, or non-Federal educational institutions, to provide an exception for VA activities under new section 1780A, which, as discussed above would require the VA to conduct annual evaluations of SAAs, to take the results of the annual evaluations into account when negotiating the terms and conditions of contracts with SAAs, and to supervise functionally the provision of course-approval services.

Finally, with respect to payments to the SAAs for administrative expenses, since the amounts of those payments are prescribed by a statutory formula (in section 1774(b)), such expenses would not be included in the SAAs certifications but would be included separate from the certification in the VA reports.

In the implementation of these provisions, the Committees expect (a) the VA, before entering into an agreement with an SAA, to satisfy itself that the SAAs operating procedures are carried out in accordance with all statutory requirements necessary for its actions to be legally enforceable; and (b) each SAA to develop position descriptions for its personnel reflecting the statutory duties set forth in sections 1775 through 1779 of title 38.

With respect to the proposed requirement in new section 1780A requiring the Administrator to supervise functionally the provision of course-approval services, it is not the intent of the committees to impose a dual management structure on the SAAs. Rather, the Committees intend the functional supervision by the Administrator to be distinct from "line supervision" by the heads of the SAAs. Functional supervision by the Administrator would entail—but not be limited to—(a) providing technical assistance to SAA personnel with respect to carrying out their course-approval duties; (b) sponsoring, to the extent practicable and jointly with SAAs, initial and recurring training for SAA employees; (c) checking for compliance with VA regulations regarding the provision of services under subchapter I; (d) assisting in the development of standards for qualifications and performance of SAA personnel; and (e) bringing matters which require corrective action to the attention of SAA personnel who have authority over policy, procedures, and staff. Functional supervision does not authorize the Administrator to hire, fire, discipline, or issue directives to an SAA employee. Nor does it authorize the Administrator to make regulations, change procedure, or establish internal policies for the state agency.

The Committees expect the VA to monitor the SAAs' performance of their responsibilities under their contracts and, in the case of a default of an SAA under its contract, to take appropriate action to enforce the Federal Government's rights under the contract consistent with the contract provisions required by the Federal Acquisition Regulations relating to defaults (sections 49.503, "Termination for convenience of the Government and default", and 52.249-6, "Termination (Cost-Reimbursement)", of title 48 of the Code of Federal Regulations).

The Committees intend that the contracts between the VA and the SAAs reflect the requirements of new section 1774A.

COMMISSION ON VETERANS' EDUCATION POLICY

House bill: The House bill (section 7 of H.R. 1504) would add the Assistant Secretary of Defense for Force Management and Personnel as an ex officio non-voting member of the Veterans' Education Policy Commission established under Public Law 99-576.

Senate bill: No provision.

Compromise agreement: The compromise agreement (section 15) contains this provision.

EFFECTIVE DATES

Senate bill: The Senate bill (section 13) would provide that the provisions and amendments made by the measure would take effect on October 1, 1987.

House bill: No provision.

Compromise agreement: The compromise agreement (section 16) would provide that sections 2 and 3 would take effect upon enactment except that (a) the title 38 amendments relating to funding for LVERs (proposed new subsection (b)(5) of section 2002A, revised subsection (a) of section 2003A, and revised subsection (a) of section 2004) and for SAAs (proposed new paragraphs (2)-(4) of section 1774(a)) would take effect for all of fiscal year 1988 and subsequent fiscal years; (b) sections 4 through 11—the sections on the performance of DVOP's and LVER's (section 4), waiver of the residency requirement for Directors and Assistant Directors for Veterans' Employment and training (section 5), the sharing of information regarding potential employers (section 6), responsibilities of personnel (section 7), the National Veterans' Employment and Training Services Institute (section 8), the study of unemployment among certain disabled veterans and Vietnam theater veterans (section 9), the Secretary's Committee on Veterans' Employment (section 10), and the VJTA amendments (section 11)—would take effect 60 days after enactment; and (c) sections 12 through 15—the sections on the training and employment study and report (section 12), State approving agencies (section 13), the Commission on Veterans' Education Policy (section 14), and revisions of nomenclature (section 15)—would take effect on the date of enactment.

CHANGES IN EXISTING LAW MADE BY THE COMPROMISE AGREEMENT ON S. 999

Changes in existing law made by the compromise agreement on the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 38—UNITED STATES CODE

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PART III—READJUSTMENT AND RELATED BENEFITS

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CHAPTER 31—TRAINING AND REHABILITATION FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES

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§ 1504. Scope of services and assistance

(a) * * *

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(1) * * *

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(7) Vocational and other training services and assistance, including *(A)* individualized tutorial assistance, tuition, fees, books, supplies, and licensing fees, and equipment and other training materials determined by the Administrator to be necessary to accomplish the purposes of the rehabilitation program in the individual [case.] *case, and (B) job-readiness skills development and counseling, under section 14(a)(2) of the Veterans' Job Training Act (29 U.S.C. 1721 note) for a participant in a program of training under such Act.*

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CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS

SUBCHAPTER I—STATE APPROVING AGENCIES

Sec.
1770. Scope of approval.
1771. Designation.
1772. Approval of courses.
1773. Cooperation.

1774. Reimbursement of expenses.
1774A. Evaluations of agency performance; qualifications and performance of agency personnel.
1775. Approval of accredited courses.
1776. Approval of nonaccredited courses.
1777. Approval of training on the job.
1778. Notice of approval of courses.
1779. Disapproval of courses.
1780. Payment of educational assistance or subsistence allowances.
1780A. Evaluations; qualifications and performance.

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SUBCHAPTER I—STATE APPROVING AGENCIES

* * * * * * *

§ 1771. Designation

(a) * * *

* * * * * * *

(b)(1) If any State fails or declines to create or designate a State approving agency, *or fails to enter into an agreement under section 1774(a),* the provisions of this chapter which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Administrator.

* * * * * * *

§ 1774. Reimbursement of expenses

(a) [The] *(1) Subject to paragraphs (2) through (4) of this subsection, the* Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies and an allowance for administrative expenses in accordance with the formula contained in subsection (b) of this section in (1) rendering necessary services in ascertaining the qualifications of educational institutions for furnishing courses of education to eligible persons or veterans under this chapter and chapters [34 and 35 of this title,] *30 through 35 of this title and chapters 106 and 107 of title 10,* and in the supervision of such educational institutions, and (2) furnishing, at the request of the Administrator, any other services in connection with [chapters 34 and 35 of this title.] *such chapters.* Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of chapters [34 and 35 of this title.] *30 through 36 of this title, this subchapter, and chapter 106 of title 10.* The Administrator may also reimburse such agencies for work performed by their subcontractors where such work has a direct relationship to the requirements of chapter 32, 34, 35, or 36 of this title, and has had the prior approval of the Administrator.

(2)(A) The Administrator shall, effective at the beginning of fiscal year 1988, make payments to State and local agencies, out of amounts available for the payment of readjustment benefits, for the reasonable and necessary expenses of salary and travel incurred by employees of such agencies in carrying out contracts or agreements

entered into under this section and for the allowance for administrative expenses described in subsection (b).

(B) The Administrator shall make such a payment to an agency within a reasonable time after the agency has submitted a report pursuant to paragraph (3)(A) of this subsection.

(C) Subject to paragraph (4) of this subsection, the amount of any such payment made to an agency for any period shall be equal to the amount of the reasonable and necessary expenses of salary and travel certified by such agency for such period in accordance with paragraph (3) of this subsection plus the allowance for administrative expenses described in subsection (b).

(3)(A) Each State and local agency with which a contract or agreement is entered into under this section shall submit to the Administrator on a monthly or quarterly basis, as determined by the agency, a report containing a certification of the reasonable and necessary expenses incurred for salary and travel by such agency under such contract or agreement for the period covered by the report. The report shall be submitted in the form and manner required by the Administrator.

(B) The Administrator shall transmit a report to the Congress on a quarterly basis which summarizes—

(i) the amounts for which certifications were made by State and local agencies in the reports submitted under subparagraph (A) of this paragraph with respect to the quarter for which the report is made; and

(ii) the amounts of the payments made by the Administrator for such quarter with respect to such certifications and with respect to administrative expenses.

(4) The total amount made available under this section for any fiscal year may not exceed $12,000,000. For any fiscal year in which the total amount that would be made available under this section would exceed $12,000,000 except for the provisions of this paragraph, the Administrator shall provide that each agency shall receive the same percentage of $12,000,000 as the agency would have received of the total amount that would have been made available without the limitation of this paragraph.

* * * * * * *

§ 1774A. Evaluations of agency performance; qualifications and performance of agency personnel

(a) The Administrator shall—

(1)(A) conduct, in conjunction with State approving agencies, an annual evaluation of each State approving agency on the basis of standards developed by the Administrator in conjunction with the State approving agencies, and (B) provide each such agency an opportunity to comment on the evaluation;

(2) take into account the results of annual evaluations carried out under clause (1) when negotiating the terms and conditions of a contract or agreement under section 1774 of this title;

(3) supervise functionally the provision of course-approval services by State approving agencies under this subchapter;

(4) cooperate with State approving agencies in developing and implementing a uniform national curriculum, to the extent

practicable, for training new employees and for continuing the training of employees of such agencies, and sponsor, with the agencies, such training and continuation of training; and

(5) prescribe prototype qualification and performance standards, developed in conjunction with State approving agencies, for use by such agencies in the development of qualification and performance standards for State approving agency personnel carrying out approval responsibilities under a contract or agreement entered into under section 1774(a).

(b)(1) Each State approving agency carrying out a contract or agreement with the Administrator under section 1774(a) after the 18-month period beginning on the date of the enactment of this section shall—

(A) apply qualification and performance standards based on the standards developed under subsection (a)(5) of this section; and

(B) make available to any person, upon request, the criteria used to carry out its functions under a contract or agreement entered into under section 1774(a).

(2) In developing and applying standards described in subsection (a)(5) of this section, the State approving agency may take into consideration the State's merit system requirements and other local requirements and conditions.

(3) The Administrator shall provide assistance in developing such standards to a State approving agency that requests it.

* * * * * * *

§ 1780A. Evaluations; qualifications and performance

(a) The Administrator shall—

(1)(A) conduct, in conjunction with State approving agencies, an annual evaluation of each State approving agency on the basis of standards developed by the Administrator in conjunction with the State approving agencies, and (B) provide each such agency an opportunity to comment on the evaluation;

(2) take into account the results of annual evaluations carried out under clause (1) when negotiating the terms and conditions of a contract or agreement under section 1774 of this title;

(3) supervise functionally the provision of course-approval services by State approving agencies under this subchapter;

(4) cooperate with State approving agencies in developing and implementing a uniform national curriculum, to the extent practicable, for training new employees and for continuing the training of employees of such agencies, and sponsor, with the agencies, such training and continuation of training; and

(5) prescribe model qualification and performance standards, developed in conjunction with State approving agencies, for use by such agencies in the development of qualification and performance standards for State approving agency personnel carrying out duties under a contract or agreement entered into under section 1774(a).

(b)(1) Each State approving agency carrying out a contract or agreement with the Administrator under section 1774(a) after the

18-month period beginning on the date of the enactment of this section shall—

(A) apply qualification and performance standards based on the standards developed under subsection (a)(5) of this section; and

(B) make available to any person, upon request, the criteria used to carry out its functions under a contract or agreement entered into under section 1774(a).

(2) In developing and applying standards described in subsection (a)(5) of this section, the State approving agency may take into consideration the State's merit system requirements and other local requirements and conditions.

(3) The Administrator shall provide assistance in developing such standards to a State approving agency that requests it.

SUBCHAPTER II—MISCELLANEOUS PROVISIONS

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§ 1782. Control by agencies of the United States

[No] *Except as provided in section 1780A, no* department, agency, or officer of the United States, in carrying out this chapter, shall exercise any supervision or control, whatsoever, over any State approving agency, or State educational agency, or any educational institution. Nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized by law to exercise over any Federal educational institution or to prevent the furnishing of education under this chapter or chapter 34 or 35 of this title in any institution over which supervision or control is exercised by such other department, agency, or officer under authority of law.

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CHAPTER 41—JOB COUNSELING, TRAINING, AND PLACEMENT SERVICE FOR VETERANS

Sec.
2000. Findings.
2001. Definitions.
2002. Purpose.
2002A. Assistant Secretary of Labor for Veterans' [Employment.] *Employment and Training; Regional Administrators.*
2003. [State] *Directors* and Assistant [State] Directors for Veterans' [Employment.] *Employment and Training.*
2003A. Disabled veterans' outreach program.
2004. [Employees of local offices.] *Local veterans' employment representatives.*
2004A. Performance of disabled veterans' outreach program specialists and local veterans' employment representatives.
2005. Cooperation of Federal agencies.
2006. Estimate of funds for administration; authorization of appropriations.
2007. Administrative controls; annual report.
2008. Cooperation and [coordination with the Veterans' Administration.] *coordination.*
2009. National [veterans' employment and training programs.] *Veterans' Employment and Training Services Institute.*
2010. Secretary of Labor's Committee on Veterans' Employment.
2010A. Special unemployment study.

§ 2000. Findings

The Congress makes the following findings:

(1) As long as unemployment and underemployment continue as serious problems among disabled veterans and Vietnamera veterans, alleviating unemployment and underemployment among such veterans is a national responsibility.

(2) Because of the special nature of employment and training needs of such veterans and the national responsibility to meet those needs, policies and programs to increase opportunities for such veterans to obtain employment, job training, counseling, and job placement services and assistance in securing advancement in employment should be effectively and vigorously implemented by the Secretary of Labor and such implementation should be accomplished through the Assistant Secretary of Labor for Veterans' [Employment.] *Employment and Training.*

§ 2001. Definitions

For the purposes of this chapter—

(1) * * *

* * * * * * *

(7) The term "local employment service office" means a service delivery point which has an intrinsic management structure and at which employment services are offered in accordance with the Wagner-Peyser Act.

(8) The term "Secretary" means the Secretary of Labor.

§ 2002. Purpose

The Congress declares as its intent and purpose that there shall be an effective (1) job and job training counseling service program, (2) employment placement service program, and (3) job training placement service program for eligible veterans and eligible persons and that, to this end policies and regulations shall be promulgated and administered by an Assistant Secretary of Labor for Veterans' [Employment,] *Employment and Training,* established by section 2002A of this title, through a [Veterans] *Veterans'* Employment *and Training* Service within the Department of Labor, so as to provide such veterans and persons the maximum of employment and training opportunities, with priority given to the needs of disabled veterans and veterans of the Vietnam era through existing programs, coordination and merger of programs and implementation of new programs.

§ 2002A. Assistant Secretary of Labor for Veterans' Employment *and Training; Regional Administrators*

(a) There is established within the Department of Labor an Assistant Secretary of Labor for Veterans' [Employment,] *Employment and Training,* appointed by the President by and with the advice and consent of the Senate, who shall be the principal advisor to the Secretary [of Labor] with respect to the formulation and implementation of all departmental policies and procedures to carry out (1) the purposes of this chapter, chapter 42, and chapter 43 of this title, and (2) all other Department of Labor employment,

unemployment, and training programs to the extent they affect veterans. The employees of the Department of Labor administering chapter 43 of this title shall be administratively and functionally responsible to the Assistant Secretary of Labor for Veterans' [Employment.] *Employment and Training.*

(b) The Secretary shall—

(1) except as expressly provided otherwise, carry out all provisions of this chapter and chapter 43 of this title through the Assistant Secretary of Labor for Veterans' Employment and Training and administer through such Assistant Secretary all programs under the jurisdictioin of the Secretary for the provision of employment and training services designed to meet the needs of disabled veterans, veterans of the Vietnam era, and all other eligible veterans and eligible persons;

(2) in order to make maximum use of available resources in meeting such needs, encourage all such programs and all grantees under such programs to enter into cooperative arrangements with private industry and business concerns (including small business concerns), educational institutions, trade associations, and labor unions;

(3) ensure that maximum effectiveness and efficiency are achieved in providing services and assistance to eligible veterans under all such programs by coordinating and consulting with the Administrator with respect to (A) programs conducted under other provisions of this title, with particular emphasis on coordination of such programs with readjustment counseling activities carried out under section 612A of this title, apprenticeship or other on-the-job training programs carried out under section 1787 of this title, and rehabilitation and training activities carried out under chapter 31 of this title, and (B) the Veterans' Job Training Act (29 U.S.C. 1721 note);

(4) ensure that job placement activities are carried out in coordination and cooperation with appropriate State public employment service officials;

(5) subject to subsection (c)(2) of this section, make available for use in each State, directly or by grant or contract, such funds as may be necessary (A) to support (i) disabled veterans' outreach program specialists appointed under section 2003A(a)(1) of this title, and (ii) local veterans' employment representatives assigned under section 2004(b) of this title, and (B) to support the reasonable expenses of such specialists and representatives for training, travel, supplies, and fringe benefits, including travel expenses and per diem for attendance at the National Veterans' Employment and Training Service Institute established under section 2009 of this title;

(6) monitor and supervise on a continuing basis the distribution and use of funds provided for use in the States under paragraph (5) of this subsection; and

(7) monitor the appointment of disabled veterans' outreach specialists and the assignment of local veterans' employment representatives in order to ensure compliance with the provisions of sections 2003A(a)(1) and 2004(a)(4), respectively, of this title.

(c)(1) The distribution and use of funds under subsection (b)(5) of this section in order to carry out sections 2003A(a) and 2004(a) of this title shall be subject to the continuing supervision and monitoring of the Secretary and shall not be governed by the provisions of any other law, or any regulations prescribed thereunder, that are inconsistent with this section or section 2003A or 2004 of this title.

(2) In determining the terms and conditions of a grant or contract under which funds are made available in a State in order to carry out section 2003A or 2004 of this title, the Secretary shall take into account (A) the results of the evaluations, carried out pursuant to section 2003(c)(15) of this title, of the performance of local employment offices in the State, and (B) the monitoring carried out under this section.

(3) Each grant or contract by which funds are made available in a State shall contain a provision requiring the recipient of the funds to comply with the provisions of this chapter.

(d) The Assistant Secretary of Labor for Veterans' Employment and Training shall promote and monitor participation of qualified veterans and eligible persons in employment and training opportunities under the Job Training Partnership Act and other federally-funded employment and training programs.

(e)(1) The Secretary shall assign to each region for which the Secretary operates a regional office a representative of the Veterans' Employment and Training Service to serve as the Regional Administrator for Veterans' Employment and Training in such region. In assigning such representative, the Secretary shall give preference to an eligible veteran or an eligible person, with the preference being accorded first to a qualified service-connected disabled veteran, then; if no such disabled veteran is available, to a qualified eligible veteran; and, if no such eligible veteran is available, then to a qualified eligible person.

(2) Each such Regional Administrator shall be responsible for—

(A) ensuring the promotion, operation, and implementation of all veterans' employment and training programs and services within the region;

(B) monitoring compliance with section 2012 of this title with respect to veterans' employment under Federal contracts within the region;

(C) protecting and advancing veterans' reemployment rights within the region; and

(D) coordinating, monitoring, and providing technical assistance on veterans' employment and training programs with respect to all entities receiving funds under grants from, or contracts with, the Department of Labor within the region.

§ 2003. [State] *Directors* and Assistant [State] Directors for Veterans' Employment *and Training*

(a) The Secretary [of Labor] shall assign to each State a representative of the Veterans' Employment Service to serve as the [State] Director for Veterans' [Employment,] *Employment and Training,* and shall assign full-time Federal clerical support to each such Director. The Secretary shall also assign to each State one Assistant [State] Director for Veterans' Employment *and Training* per each 250,000 veterans and eligible persons of the State veterans population and such additional Assistant [State] Directors for Veterans' Employment *and Training* as the Secretary shall determine, based on the data collected pursuant to section 2007 of this title, to be necessary to assist the [State] Director for Veterans' Employment *and Training* to carry out effectively in that State the purposes of this chapter. Full-time Federal clerical support personnel assigned to [State] Directors for Veterans' Employment *and Training* shall be appointed in accordance with the provisions of title 5 governing appointments in the competitive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5.

(b)(1)*(A)* Each [State] Director for Veterans' Employment *and Training* and Assistant [State] Director for Veterans' Employment *and Training* [(A) shall be an eligible] *(i) shall, except as provided in subparagraph (B) of this paragraph, be a qualified* veteran who at the time of appointment has been a bona fide resident of the State for at least two years, and [(B)] *(ii)* shall be appointed in accordance with the provisions of title 5 governing appointments in the competitive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5.

(B) If, in appointing a Director or Assistant Director for any State under this section, the Secretary determines that there is no qualified veteran available who meets the residency requirement in subparagraph (A)(i), the Secretary may appoint as such Director or Assistant Director any qualified veteran.

(2) Each [State] Director for Veterans' Employment *and Training* and Assistant [State] Director for Veterans' Employment *and Training* shall be attached to the public employment service system of the State to which they are assigned. They shall be administratively responsible to the Secretary [of Labor] for the execution of the veterans' and eligible persons' counseling and placement policies of the Secretary through the public employment service system and in cooperation with other employment and training programs administered by the Secretary, by grantees of Federal or federally funded employment and training programs in the State, or directly by the State.

(c) In cooperation with the staff of the public employment service system and the staffs of each such other program in the State, the [State] Director for Veterans' Employment *and Training* and Assistant [State] Directors for Veterans' Employment *and Training* shall—

(1)*(A) functionally supervise the provision of services to eligible veterans and eligible persons by such system and such program and their staffs, and (B)* be functionally responsible for the supervision of the registration of eligible veterans and eligible persons in local employment offices for suitable types of employment and training and for counseling and placement of eligible veterans and eligible persons in employment and job training [programs;] *programs, including the program conducted under the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note);*

(2) engage in job development and job advancement activities for eligible veterans and eligible persons, including maximum coordination with appropriate officials of the Veterans' Admin-

istration in that agency's carrying out of its responsibilities under subchapter IV of chapter 3 of this title and in the conduct of job fairs, job marts, and other special programs to match eligible veterans and eligible persons with appropriate job and job training [opportunities;] *opportunities and otherwise to promote the employment of eligible veterans and eligible persons;*

(3) assist in securing and maintaining current information as to the various types of available employment and training opportunities, including maximum use of electronic data processing and telecommunications systems and the matching of an eligible veteran's or an eligible person's particular qualifications with an available job or on-job training or apprenticeship opportunity which is commensurate with those qualifications;

(4) promote the interest of employers and labor unions in employing eligible veterans and eligible persons and in conducting on-job training and apprenticeship programs for such veterans and persons;

(5) maintain regular contact with employers, labor unions, training programs and veterans' organizations with a view to keeping them advised of eligible veterans and eligible persons available for employment and training and to keeping eligible veterans and eligible persons advised of opportunities for employment and training;

(6) promote and facilitate the participation of veterans in Federal and federally funded employment and training programs and directly monitor the implementation and operation of such programs to ensure that eligible veterans, veterans of the Vietnam era, disabled veterans, and eligible persons receive such priority or other special consideration in the provision of services as is required by law or regulation;

(7) assist in every possible way in improving working conditions and the advancement of employment of eligible veterans and eligible persons;

(8) supervise the listing of jobs and subsequent referrals of qualified veterans as required by section 2012 of this title;

(9) be responsible for ensuring that complaints of discrimination filed under such section are resolved in a timely fashion;

(10) working closely with appropriate Veterans' Administration personnel engaged in providing counseling or rehabilitation services under chapter 31 of this title, cooperate with employers to identify disabled veterans who have completed or are participating in a vocational rehabilitation training program under such chapter and who are in need of employment;

(11) cooperate with the staff of programs operated under section 612A of this title in identifying and assisting veterans who have readjustment problems and who may need employment placement assistance or vocational training assistance; [and]

(12) when requested by a Federal or State agency or a private employer, assist such agency or employer in identifying and acquiring prosthetic and sensory aids and devices which tend to enhance the employability of disabled [veterans.] *veterans;*

(13) monitor the implementation of Federal laws requiring veterans preference in employment and job advancement opportunities within the Federal Government and report to the Office of Personnel Management, for enforcement or other remedial action, any evidence of failure to provide such preference or to provide priority or other special consideration in the provision of services to veterans as is required by law or regulation;

(14) monitor, through disabled veterans' outreach program specialists and local veterans' employment representatives, the listing of vacant positions with State employment agencies by Federal agencies, and report to the Office of Personnel Management or other appropriate agency, for enforcement or other remedial action, any evidence of failure to provide priority or other special consideration in the provision of services to veterans as is required by law or regulation; and

(15)(A) not less frequently than annually, conduct, subject to subclause (B) of this clause, an evaluation at each local employment office of the services provided to eligible veterans and eligible persons and make recommendations for corrective action as appropriate; and

(B) carry out such evaluations in the following order of priority: (I) offices that demonstrated less than satisfactory performance during either of the two previous program years, (II) offices with the largest number of veterans registered during the previous program year, and (III) other offices as resources permit.

§ 2003A. Disabled veterans' outreach program

[(a)(1) The Secretary of Labor, acting through the Assistant Secretary for Veterans' Employment, shall make available for use in each State, directly or by grant or contract, such funds as may be necessary to support a disabled veterans' outreach program designed to meet the employment needs of veterans, especially disabled veterans of the Vietnam era.

[(2) Funds provided for use in a State under this subsection]

(a)(1) The amount of funds made available for use in a State under section 2002A(b)(5)(A)(i) of this title shall be sufficient to support the appointment of one disabled veterans' outreach program specialist for each 5,300 veterans of the Vietnam era and disabled veterans residing in such State. Each such specialist shall be a *qualified* veteran. Preference shall be given in the appointment of such specialists to *qualified* disabled veterans of the Vietnam era. If the Secretary finds that a *qualified* disabled veteran of the Vietnam era is not available for any such appointment, preference for such appointment shall be given to to other *qualified* disabled veterans. If the Secretary finds that no *qualified* disabled veteran is available for such appointment, such appointment may be given to any *qualified* veteran. Each such specialist shall be compensated at a rate not less than the rate prescribed for an entry level professional in the State government of the State concerned.

[(3) The Secretary, acting through the Assistant Secretary of Labor for Veterans' Employment, shall also make available for use in the States such funds, in addition to those made available to carry out paragraphs (1) and (2) of this subsection, as may be necessary to support the reasonable expenses of such specialists for training, travel, supplies, and fringe benefits.]

[(4)] *(2)* Specialists appointed pursuant to [paragraph (2) of] this subsection shall be in addition to and shall not supplant employees assigned to local employment service offices pursuant to section 2004 of this title.

[(5) The distribution and use of funds provided for use in States under this section shall be subject to the continuing supervision and monitoring of the Assistant Secretary for Veterans' Employment and shall not be governed by the provisions of any other law, or any regulations prescribed thereunder, that are inconsistent with this section.]

(b)(1) Pursuant to regulations prescribed by the Secretary of Labor, disabled veterans' outreach program specialists shall be assigned only those duties directly related to meeting the employment needs of eligible veterans, with priority for the provision of services in the following order:

(A) Services to disabled veterans of the Vietnam era who are participating in or have completed a program of vocational rehabilitation under chapter 31 of this title.

(B) Services to other disabled veterans.

(C) Services to other eligible veterans in accordance with priorities determined by the Secretary taking into account applicable rates of unemployment and the employment emphases set forth in chapter 42 of this title.

In the provision of services in accordance with this paragraph, maximum emphasis in meeting the employment needs of veterans shall be placed on assisting economically or educationally disadvantaged veterans.

(2) Not more than three-fourths of the disabled veterans' outreach program specialists in each State shall be stationed at local employment service offices in such State. The Secretary, after consulting the Administrator and the [State] Director for Veterans' Employment *and Training* assigned to a State under section 2003 of this title, may waive the limitation in the preceding sentence for that State so long as the percentage of all disabled veterans' outreach program specialists that are stationed at local employment service offices in all States does not exceed 80 percent. Specialists not so stationed shall be stationed at centers established by the Veterans' Administration to provide a program of readjustment counseling pursuant to section 612A of this title, veterans assistance offices established by the Veterans' Administration pursuant to section 242 of this title, and such other sites as may be determined to be appropriate in accordance with regulations prescribed by the Secretary after consultation with the Administrator.

(c) Each disabled veterans' outreach program specialist shall carry out the following functions for the purpose of providing services to eligible veterans in accordance with the priorities set forth in subsection (b) of this section:

(1) Development of job and job training opportunities for such veterans through contacts with employers, especially small- and medium-size private sector employers.

(2) Pursuant to regulations prescribed by the Secretary after consultation with the Administrator, promotion and develop-

ment of apprenticeship and other on-job training positions pursuant to section 1787 of this title.

(3) The carrying out of outreach activities to locate such veterans through contacts with local veterans organizations, the Veterans' Administration, the State employment service agency and local employment service offices, and community-based organizations.

(4) Provision of appropriate assistance to community-based groups and organizations and appropriate grantees under other Federal and federally funded employment and training programs *(including part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.))* in providing services to such veterans.

(5) Provision of appropriate assistance to local employment service office employees with responsibility for veterans in carrying out their responsibilities pursuant to this chapter.

(6) Consultation and coordination with other appropriate representatives of Federal, State, and local programs *(including the program conducted under the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note))* for the purpose of developing maximum linkages to promote employment opportunities for and provide maximum employment assistance to such veterans.

(7) The carrying out of such other duties as will promote the development of entry-level and career job opportunities for such veterans.

(8) Development of outreach programs in cooperation with appropriate Veterans' Administration personnel engaged in providing counseling or rehabilitation services under chapter 31 of this title, with educational institutions, and with employers in order to ensure maximum assistance to disabled veterans who have completed or are participating in a vocational rehabilitation program under such chapter.

(9) Provision of vocational guidance or vocational counseling services, or both, to veterans with respect to veterans' selection of and changes in vocations and veterans' vocational adjustment.

(10) Provision of services as a case manager under section 14(b)(1)(A) of the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note).

[(d) The Secretary of Labor shall administer the program provided for by this section through the Assistant Secretary of Labor for Veterans' Employment. The Secretary shall monitor the appointment of disabled veterans' outreach program specialists to ensure compliance with the provisions of subsection (a)(2) of this section with respect to the employment of such specialists.]

§ 2004. [Employees of local offices] *Local veterans' employment representatives*

[Except as may be determined by the Secretary of Labor based on a demonstrated lack of need for such services, there shall be assigned by the administrative head of the employment service in each State one or more employees, preferably eligible veterans or eligible persons, on the staffs of local employment service offices, whose services shall be fully devoted to discharging the duties prescribed for the veterans' employment representative and such representative's assistants.]

(a)(1) Beginning with fiscal year 1988, the total of the amount of funds made available for use in the States under section 2002A(b)(5)(A)(ii) of this title shall be sufficient to support the assignment of 1,600 full-time local veterans' employment representatives and the States' administrative expenses associated with the assignment of that number of such representatives and shall be allocated to the several States so that each State receives funding sufficient to support—

(A) the number of such representatives who were assigned in such State on January 1, 1987, for which funds were provided under this chapter, plus one additional such representative;

(B) the percentage of the 1,600 such representatives for which funding is not provided under clause (A) of this paragraph which is equal to the average of (i) the percentage of all veterans residing in the United States who reside in such State, (ii) the percentage of the total of all eligible veterans and eligible persons registered for assistance with local employment service offices in the United States who are registered for assistance with local employment service offices in such State, and (iii) the percentage of all full-service local employment service offices in the United States which are located in such State; and

(C) the State's administrative expenses associated with the assignment of the number of such representatives for which funding is allocated to the State under clauses (A) and (B) of this paragraph.

(2)(A) The local veterans' employment representatives allocated to a State pursuant to paragraph (1) of this subsection shall be assigned by the administrative head of the employment service in the State, after consultation with the Director for Veterans' Employment and Training for the State, so that as nearly as practical (i) one full-time representative is assigned to each local employment service office at which at least 1,100 eligible veterans and eligible persons are registered for assistance, (ii) one additional full-time representative is assigned to each local employment service office for each 1,500 eligible veterans and eligible persons above 1,100 who are registered at such office for assistance, and (iii) one half-time representative is assigned to each local employment service office at which at least 350 but less than 1,100 eligible veterans and eligible persons are registered for assistance.

(B) In the case of a service delivery point (other than a local employment service office described in subparagraph (A) of this paragraph) at which employment services are offered under the Wagner-Peyser Act, the head of such service delivery point shall be responsible for ensuring compliance with the provisions of this title providing for priority services for veterans and priority referral of veterans to Federal contractors.

(3) For the purposes of this subsection, an individual shall be considered to be registered for assistance with a local employment service office during a program year if the individual—

(A) registered, or renewed such individual's registration, for assistance with the office during that program year; or

(B) so registered or renewed such individual's registration during a previous program year and, in accordance with regulations which the Secretary shall prescribe, is counted as still being registered for administrative purposes.

(4) In the assigning of local veterans' employment representatives on or after July 1, 1988, preference shall be given to qualified eligible veterans or eligible persons. Preference shall be accorded first to qualified service-connected disabled veterans; then, if no such disabled veteran is available, to qualified eligible veterans; and, if no such eligible veterans is available, then to qualified eligible persons.

(b) Local veterans' employment representatives shall—

(1) functionally supervise the providing of services to eligible veterans and eligible persons by the local employment service staff;

(2) maintain regular contact with community leaders, employers, labor unions, training programs, and veterans' organizations for the purpose of (A) keeping them advised of eligible veterans and eligible persons available for employment and training, and (B) keeping eligible veterans and eligible persons advised of opportunities for employment and training;

(3) provide directly, or facilitate the provision of, labor exchange services to eligible veterans and eligible persons, including intake and assessment, counseling, testing, job-search assistance, and referral and placement;

(4) encourage employers and labor unions to employ eligible veterans and eligible persons and conduct on-the-job training and apprenticeship programs for such veterans and persons;

(5) promote and monitor the participation of veterans in federally funded employment and training programs, monitor the listing of vacant positions with Federal agencies, and report to the Director for Veterans' Employment and Training for the State concerned any evidence of failure to provide priority or other special consideration in the provision of services to veterans as is required by law or regulation;

(6) monitor the listing of jobs and subsequent referrals of qualified veterans as required by section 2012 of this title;

(7) work closely with appropriate Veterans' Administration personnel engaged in providing counseling or rehabilitation services under chapter 31 of this title, and cooperate with employers in identifying disabled veterans who have completed or are participating in a vocational rehabilitation training program under such chapter and who are in need of employment;

(8) refer eligible veterans and eligible persons to training, supportive services, and educational opportunities, as appropriate;

(9) assist, through automated data processing, in securing and maintaining current information regarding available employment and training opportunities;

(10) cooperate with the staff of programs operated under section 612A of this title in identifying and assisting veterans who have readjustment problems and who may need services available at the local employment service office;

(11) when requested by a Federal or State agency, a private employer, or a service-connected disabled veteran, assist such agency, employer, or veteran in identifying and acquiring pros-

thetic and sensory aids and devices needed to enhance the employability of disabled veterans; and

(12) facilitate the provision of guidance or counseling services, or both, to veterans who, pursuant to section 5(b)(3) of the Veterans' Job Training Act (29 U.S.C. 1721 note), are certified as eligible for participation under such Act.

(c) Each local veterans' employment representative shall be administratively responsible to the manager of the local employment service office and shall provide reports, not less frequently than quarterly, to the manager of such office and to the Director for Veterans' Employment and Training for the State regarding compliance with Federal law and regulations with respect to special services and priorities for eligible veterans and eligible persons.

(d) Local veterans' employment representatives shall be assigned, in accordance with this section, by the administrative head of the employment service in each State after consultation with the Director for Veterans' Employment and Training.

§ 2004A. Performance of disabled veterans' outreach program specialists and local veterans' employment representatives

(a)(1) Subject to paragraph (2) of this subsection, each State employment agency shall develop and apply standards for the performance of disabled veterans' outreach program specialists appointed under section 2003A(a) of this title and local veterans' employment representatives assigned under section 2004(b) of this title.

(2)(A) Such standards shall be consistent with the duties and functions specified in section 2003A(b) of this title with respect to such specialists and section 2004(b) (1) through (12) of this title with respect to such representatives.

(B) In developing such standards, the State employment agency—

(i) shall take into account (I) the prototype developed under paragraph (3) of this subsection, and (II) the comments submitted under clause (ii) of this subparagraph by the Director for Veterans' Employment and Training for the State;

(ii) shall submit to such Director proposed standards for comment;

(iii) may take into account the State's personnel merit system requirements and other local circumstances and requirements; and

(iv) may request the assistance of such Director.

(C) Such standards shall include as one of the measures of the performance of such a specialist the extent to which the specialist, in serving as a case manager under section 14(b)(1)(A) of the Veterans' Job Training Act (29 U.S.C. 1721 note), facilitates rates of successful completion of training by veterans participating in programs of job training under the Act.

(3)(A) The Secretary, after consultation with State employment agencies or their representatives, or both, shall provide to such agencies a prototype of performance standards for use by such agencies in the development of performance standards under subsection (a)(1) of this section.

(B) Each Director for Veterans' Employment and Training—

(i) shall, upon the request of the State employment agency under paragraph (2)(B)(iv) of this subsection, provide appropriate assistance in the development of performance standards,

(ii) may, within 30 days after receiving proposed standards under paragraph (2)(B)(ii) of this subsection, provide comments on the proposed standards, particularly regarding the consistency of the proposed standards with such prototype.

(b)(1) Directors for Veterans' Employment and Training and Assistant Directors for Veterans' Employment and Training shall regularly monitor the performance of the specialists and representatives referred to in subsection (a)(1) of this section through the application of the standards required to be prescribed by subsection (a)(1).

(2) A Director for Veterans' Employment and Training for a State may submit to the head of the employment service in the State recommendations and comments in connection with each annual performance rating of such specialists and representatives in the State.

§ 2005. Cooperation of Federal agencies

(a) All Federal agencies shall furnish the Secretary [of Labor] such records, statistics, or information as the Secretary may deem necessary or appropriate in administering the provisions of this chapter, and shall otherwise cooperate with the Secretary in providing continuous employment and training opportunities for eligible veterans and eligible persons.

(b) For the purpose of assisting the Secretary and the Administrator in identifying employers with potential job training opportunities under the Veterans' Job Training Act (Public Law 98-77; 29 U.S.C. 1721 note) and otherwise in order to carry out this chapter, the Secretary of Defense shall provide, not more than 30 days after the date of the enactment of this subsection, the Secretary and the Administrator with any list maintained by the Secretary of Defense of employers participating in the National Committee for Employer Support of the Guard and Reserve and shall provide, on the 15th day of each month thereafter, updated information regarding the list.

§ 2006. Estimate of funds for administration; authorization of appropriations

(a) The Secretary [of Labor] shall estimate the funds necessary for the proper and efficient administration of this chapter and chapters 42 and 43 of this title. Such estimated sum shall include the annual amounts necessary for salaries, rents, printing and binding, travel, and communications. Sums thus estimated shall be included as a special item in the annual budget for the Department of Labor. Estimated funds necessary for proper counseling, placement, and training services to eligible veterans and eligible persons provided by the various State public employment service agencies shall each be separately identified in the budgets of those agencies as approved by the Department of Labor. Funds estimated pursuant to the first sentence of this subsection shall include amounts necessary [to fund the disabled veterans' outreach program under section 2003A] *in all of the States for the purposes specified in paragraph (5) of section 2002A(b) of this title and to fund the National Veterans' Employment and Training Service Institute under* *section 2009* of this title and shall be approved by the Secretary [of Labor] only if the level of funding proposed is in compliance with such [section.] *sections.* Each budget submission with respect to such funds shall include [a separate listing of the proposed number, by State, for disabled veterans outreach program specialists appointed under such section. The Secretary shall carry out this subsection through the Assistant Secretary for Veterans' Employment.] *separate listings of the amount for the National Veterans' Employment and Training Service Institute and of the proposed numbers, by State, of disabled veterans' outreach program specialists appointed under section 2003A of this title and local veterans' employment representatives assigned under section 2004 of this title, together with information demonstrating the compliance of such budget submission with the funding requirements specified in the preceding sentence.*

(b) There are authorized to be appropriated such sums as may be necessary for the proper and efficient administration of this chapter.

(c) In the event that the regular appropriations Act making appropriations for administrative expenses for the Department of Labor with respect to any fiscal year does not specify an amount for the purposes specified in subsection (b) of this section for that fiscal year, then of the amounts appropriated in such Act there shall be available only for the purposes specified in subsection (b) of this section such amount as was set forth in the budget estimate submitted pursuant to subsection (a) of this section.

(d) Any funds made available pursuant to subsections (b) and (c) of this section shall not be available for any purpose other than those specified in such [subsections, except with the approval of the Secretary of Labor, upon the recommendation of the Assistant Secretary of Labor for Veterans' Employment, based on a demonstrated lack of need for such funds for such purposes.] *subsections.*

§ 2007. Administrative controls; annual report

(a) The Secretary [of Labor] shall establish administrative controls for the following purposes:

(1) To insure that each eligible veteran, especially veterans of the Vietnam era and disabled veterans and each eligible person, who requests assistance under this chapter shall promptly be placed in a satisfactory job or job training opportunity or receive some other specific form of assistance designed to enhance such veteran's and eligible person's employment prospects substantially, such as individual job development or employment counseling services.

(2) To determine whether or not the employment service agencies in each State have committed the necessary staff to insure that the provisions of this chapter are carried out; and to arrange for necessary corrective action where staff resources have been determined by the Secretary [of Labor] to be inadequate.

(b) The Secretary [of Labor] shall establish definitive performance standards for determining compliance by the State public employment service agencies with the provisions of this chapter and chapter 42 of this title. A full report as to the extent and reasons for any noncompliance by any such State agency during any fiscal year, together with the agency's plan for corrective action during the succeeding year, shall be included in the annual report of the Secretary [of Labor] required by subsection (c) of this section.

[(c) The Secretary of Labor shall report annually to the Congress on the success of the Department of Labor and its affiliated State employment service agencies in carrying out the provisions of this chapter. The report shall include, by State, specification of the numbers of eligible veterans, veterans of the Vietnam era, disabled veterans, special disabled veterans, and eligible persons who registered for assistance with the public employment service system and, of each of such categories, the number referred to jobs, the number placed in permanent jobs as defined by the Secretary, the number referred to and the number placed in employment and job training programs supported by the Federal Government, the number counseled, and the number who received some reportable service. The report shall also include any determination by the Secretary under section 2004, 2006, or 2007(a) of this title and a statement of the reasons for such determination. The report shall also include a report on activities carried out under section 2003A of this title.]

(c) Not later than February 1 of each year, the Secretary shall report to the Committees on Veterans' Affairs of the Senate and the House of Representatives on the success during the preceding program year of the Department of Labor and its affiliated State employment service agencies in carrying out the provisions of this chapter and programs for the provision of employment and training services to meet the needs of eligible veterans and eligible persons. The report shall include—

(1) specification, by State and by age group, of the numbers of eligible veterans, veterans of the Vietnam era, disabled veterans, special disabled veterans, and eligible persons who registered for assistance with the public employment service system and, for each of such categories, the numbers referred to and placed in permanent and other jobs, the numbers referred to and placed in jobs and job training programs supported by the Federal Government, the number counseled, and the number who received some, and the number who received no, reportable service;

(2) a comparison of the job placement rate for each of the categories of veterans and persons described in clause (1) of this subsection with the job placement rate for nonveterans of the same age groups registered for assistance with the public employment system in each State;

(3) any determination made by the Secretary during the preceding fiscal year under section 2006 of this title or subsection (a)(2) of this section and a statement of the reasons for such determination;

(4) a report on activities carried out during the preceding program year under sections 2003A and 2004 of this title; and

(5) a report on the operation during the preceding program year of programs for the provision of employment and training services designed to meet the needs of eligible veterans and eligible persons, including an evaluation of the effectiveness of

such programs during such fiscal year in meeting the requirements of section 2002A(b) of this title, the efficiency with which services were provided through such programs during such year, and such recommendations for further legislative action (including the need for any changes in the formulas governing the appointment of disabled veterans' outreach program specialists under section 2003A(a)(2) of this title and the assignment of local veterans' employment representatives under section 2004(b) of this title and the allocation of funds for the support of such specialists and representatives) relating to veterans' employment and training as the Secretary considers appropriate.

§ 2008. Cooperation and coordination [with the Veterans' Administration]

(a) In carrying out the Secretary's responsibilities under this chapter, the Secretary [of Labor] shall from time to time consult with the Administrator and keep the Administrator fully advised of activities carried out and all data gathered pursuant to this chapter to insure maximum cooperation and coordination between the Department of Labor and the Veterans' Administration.

(b) The Administrator shall provide to appropriate employment service offices and Department of Labor offices, as designated by the Secretary, on a monthly or more frequent basis, the name and address of each employer located in the areas served by such offices that offer a program of job training which has been approved by the Administrator under section 7 of the Veterans' Job Training Act (29 U.S.C. 1721 note).

§ 2009. National [veterans' employment and training programs] *Veterans' Employment and Training Services Institute*

[(a) The Secretary of Labor shall—

[(1) administer through the Assistant Secretary of Labor for Veterans' Employment all national programs under the jurisdiction of the Secretary for the provision of employment and training services designed to meet the needs of disabled veterans and veterans of the Vietnam era;

[(2) in order to make maximum use of available resources, encourage all such national programs and all grantees under such programs to enter into cooperative arrangements with private industry and business concerns (including small business concerns), educational institutions, trade associations, and labor unions;

[(3) ensure that maximum effectiveness and efficiency are achieved in providing services and assistance to such veterans under all such national programs by coordinating and consulting with the Administrator with respect to programs conducted under other provisions of this title, with particular emphasis on coordination of such national programs with readjustment counseling activities carried out under section 612A of this title, apprenticeship or other on-job training programs carried out under section 1787 of this title, and rehabilitation and training activities carried out under chapter 31 of this title; and

[(4) ensure that job placement activities are carried out in coordination and cooperation with appropriate State public employment service officials.

[(b) Not later than February 1 of each year, the Secretary of Labor shall submit to the Committees on Veterans' Affairs of the House of Repesentatives and the Senate a report on the operation during the preceding fiscal year of national programs for the provision of employment and training services designed to meet the needs of veterans described in subsection (a) of this section. Each such report shall include an evaluation of the effectiveness of such programs during such fiscal year in meeting the goals established in such subsection, the efficiency with which services were provided under such programs during such year, and such recommendation for further legislative action relating to veterans' employment as the Secretary considers appropriate.]

(a) In order to provide for such training as the Secretary considers necessary and appropriate for the efficient and effective provision of employment, job-training, counseling, placement, job-search, and related services to veterans, the Secretary shall establish and make available such funds as may be necessary to operate a National Veterans' Employment and Training Services Institute for the training of disabled veterans' outreach program specialists, local veterans' employment representatives, Directors for Veterans' Employment and Training, and Assistant Directors for Veterans' Employment and Training, Regional Administrators for Veterans' Employment and Training, and such other personnel involved in the provision of employment, job-training, counseling, placement, or related services to veterans as the Secretary considers appropriate, including travel expenses and per diem for attendance at the Institute.

(b) In implementing this section the Secretary shall, as the Secretary considers appropriate, provide, out of program funds designated for the Institute, training for Veterans' Employment and Training Service personnel, including travel expenses and per diem to attend the Institute.

§ 2010. Secretary of Labor's Committee on Veterans' Employment

(a) There is established within the Department of Labor an advisory committee to be known as the "Secretary's Committee on Veterans' Employment". The committee shall meet at least quarterly for the purpose of bringing to the attention of the Secretary problems and issues relating to veterans' employment.

(b) [The] *Notwithstanding section 2002A(b) of this title, the* committee shall be chaired by the [Secretary of Labor.] *Secretary.* The Assistant Secretary of Labor for Veterans' Employment *and Training* shall serve as vice chairman of the committee. The committee shall include—

(1) representatives of—

(A) the Administrator;

(B) the Secretary of Defense;

(C) the Secretary of Health and Human Services;

(D) the Secretary of Education;

[(D)] *(E)* the Director of the Office of Personnel Management;

[(E)] *(F)* the Chairman of the Equal Employment Opportunity Commission; [and]

[(F)] *(G)* the Administrator of the Small Business Administration; [and]

(H) the Postmaster General; and

(I) any other agency of the Federal Government which has had its request to have a representative on the committee approved by the Secretary; and

(2) a representative of each of the chartered veterans' organizations having a national employment program.

(c) Members of the committee shall serve without compensation or other reimbursement for their service on the committee.

§ 2010A. Special unemployment study

(a) The Secretary, through the Bureau of Labor Statistics, shall conduct, on a biennial basis, studies of unemployment among special disabled veterans and among veterans who served in the Vietnam Theater of Operations during the Vietnam era and promptly report to the Congress on the results of such studies.

(b) the first study under this section shall be completed not later than 180 days after the date of the enactment of this section.

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VETERANS' JOB TRAINING ACT

(Public Law 98-77, August 15, 1983, amended by section 212 of Public Law 98-543, October 24, 1984; section 4 of Public Law 99-108, September 30, 1985; section 201 of Public Law 99-238, January 13, 1986; section 901 of Public Law 100-77, July 22, 1987; and section 201 of Public Law 100-227, December 31, 1987)

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ESTABLISHMENT OF PROGRAM

Sec. 4. (a) * * *

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(b) The Secretary shall carry out the Secretary's responsibilities under this Act through the Assistant Secretary of Labor for Veterans' Employment *and Training* established under section 2002A of title 38, United States Code.

ELIGIBILITY FOR PROGRAM; DURATION OF ASSISTANCE

Sec. 5. (a)(1) * * *

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(b)(1) * * *

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(3)(A) **[**The**]** *Subject to section 14(c), the* Administrator shall certify as eligible for participation under this Act a veteran whose application is approved under this subsection and shall furnish the veteran with a certificate of that veteran's eligibility for presentation to an employer offering a program of job training under this Act. Any such certificate shall expire 90 days after it is furnished to the veteran. The date on which a certificate is furnished to a veteran under this paragraph shall be stated on the certificate.

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APPROVAL OF EMPLOYER PROGRAMS

Sec. 7. (a)(1) * * *

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(d) * * *

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(12) That, as applicable, the employer will provide each participating veteran with the full opportunity to participate in a personal interview pursuant to section 14(b)(1)(A) during the veteran's normal workday.

[(12)**]** *(13)* That the program meets such other criteria as the Administrator may determine are essential for the effective implementation of the program established by this Act.

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DISCONTINUANCE OF APPROVAL OF PARTICIPATION IN CERTAIN EMPLOYER PROGRAMS

Sec. 11. *(a)* If the Administrator finds at any time that a program of job training previously approved by the Administrator for the purposes of this Act thereafter fails to meet any of the requirements established under this Act, the Administrator may immediately disapprove further participation by veterans in that program. The Administrator shall provide to the employer concerned, and to each veteran participating in the employer's program a statement of the reasons for, and an opportunity for a hearing with respect to, such disapproval. The employer and each such veteran shall be notified of such disapproval, the reasons for such disapproval, and the opportunity for a hearing. Notification shall be by a certified or registered letter, and a return receipt shall be secured.

(b)(1) If the Administrator determines that the rate of veterans' successful completion of an employer's programs of job training previously approved by the Administrator for the purposes of this Act is disproportionately low because of deficiencies in the quality of such programs, the Administrator shall disapprove participation in such programs on the part of veterans who had not begun such participation on the date that the employer is notified of the disapproval.

(2) A disapproval under paragraph (1) shall remain in effect until such time as the Administrator determines that adequate remedial action has been taken. In determining whether the remedial actions taken by the employer are adequate to ensure future avoidance of a disproportionately low rate of successful completion, the Administrator shall take into account appropriate data, including—

(A) the quarterly data provided by the Secretary with respect to the number of veterans who receive counseling in connection with training under this Act, are referred to employers under this Act, participate in job training under this Act, complete such training or do not complete such training, and the reasons for noncompletion; and

(B) data compiled through the particular employer's compliance surveys.

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COUNSELING

SEC. 14. (a)(*1*) The Administrator and the Secretary may, upon request, provide employment counseling services to any veteran eligible to participate under this Act in order to assist such veteran in selecting a suitable program of job training under this Act.

(2) The Administrator shall, after consultation with the Secretary, provide a program of job-readiness skills development and counseling services designed to assist veterans in need of such assistance in finding, applying for, and successfully participating in a suitable program of job training under this Act. As part of providing such services, the Administrator shall coordinate activities, to the extent practicable, with the readjustment counseling program described in section 612A of title 38, United States Code. The Administrator shall advise veterans participating under this Act of the availability of such services and encourage them to request such services whenever appropriate.

[(b) The Secretary—

[(1) shall provide for a program under which periodic (not less than monthly) contact is maintained with each veteran participating in a program of job training under this Act for the purposes of avoiding unnecessary termination of employment, referring the veteran to appropriate counseling if necessary, and facilitating the veteran's successful completion of such program; and

[(2) after consultation with the Administrator, shall provide for a program of counseling services designed to resolve difficulties that may be encountered by veterans during their training under this Act and shall advise all veterans and employers participating under this Act of the availability of such services and other related counseling services and assistance and encourage them to request such services and assistance whenever appropriate.]

(b)(1) The Secretary shall provide for a program under which—

(A) except as provided in paragraph (2), a disabled veteran's outreach program specialist appointed under section 2003A(a) of title 38, United States Code, is assigned as a case manager for each veteran participating in a program of job training under this Act;

(B) the veteran has an in-person interview with the case manager not later than 60 days after entering into a program of training under this Act; and

(C) periodic (not less frequent than monthly) contact is maintained with each such veteran for the purpose of (i) avoiding unnecessary termination of employment, (ii) referring the veteran to appropriate counseling, if necessary, (iii) facilitating the veteran's successful completion of such program, and (iv) following up with the employer and the veteran in order to determine the veteran's progress in the program and the outcome regarding the veteran's participation in and successful completion of the program.

(2) No case manager shall be assigned pursuant to paragraph (1)(A)—

(A) for a veteran if, on the basis of a recommendation made by a disabled veterans' outreach program specialist, the Secretary determines that there is no need for a case manager for such veteran; or

(B) in the case of the employees of an employer, if the Secretary determines that—

(i) the employer has an appropriate and effective employee assistance program that is available to all veterans participating in the employer's programs of job training under this Act; or

(ii) the rate of veterans' successful completion of the employer's programs of job training under this Act, either cumulatively or during the previous program year, is 60 percent or higher.

(3) The Secretary and the Administrator shall jointly provide, to the extent feasible—

(A) a program of counseling or other services (to be provided pursuant to subchapter IV of chapter 3 of title 38, United States Code, and sections 612A, 2003A, and 2004 of such title) designed to resolve difficulties that may be encountered by veterans during their training under this Act; and

(B) a program of information services under which—

(i) each veteran who enters into a program of job training under this Act and each employer participating under this Act is informed of the supportive services and resources available to the veteran (I) under clauses (A) and (B), (II)

through Veterans' Administration counseling and career-development activities (especially, in the case of a Vietnam-era veteran, readjustment counseling services under section 612A of such title) and under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.), and (III) through other appropriate agencies in the community; and

(ii) veterans and employers are encouraged to request such services whenever appropriate.

(c) Before a veteran who voluntarily terminates from a program of job training under this Act or is involuntarily terminated from such program by the employer may be eligible to be provided with a further certificate, or renewal of certification, of eligibility for participation under this Act, such veteran must be provided by the Secretary, after consultation with the Administrator, with a case manager.

(d) Payments made under this Act pursuant to contracts entered into for the provision of job-readiness skills development and counseling services under subsection (a)(2) may only be paid out of the same account used to make payments under section 1504(a)(7) of title 38, United States Code, and the amount paid out of such account in any fiscal year for such services shall not exceed an amount equal to 5 percent of the amount obligated to carry out this Act for such fiscal year, except that for fiscal year 1988 the amount shall not exceed 5 percent of the amount available to carry out this Act on October 1, 1987.

INFORMATION AND OUTREACH; USE OF AGENCY RESOURCES

SEC. 15. (a)(1) * * *

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(c)(1) * * *

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(2) In carrying out the responsibilities of the Secretary under this Act, the Secretary shall make maximum use of the services of [State] *Directors* and Assistant [State] Directors for Veterans' [Employment,] *Employment and Training,* disabled veterans' outreach program specialists, and employees of local offices appointed pursuant to sections 2003, 2003A, and 2004 of title 38, United States Code. The Secretary shall also use such resources as are available under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.). To the extent that the Administrator withholds approval of veterans' applications under this Act pursuant to section 5(b)(2)(B), the Secretary shall take steps to assist such veterans in taking advantage of opportunities that may be available to them under title III of that Act or under any other program carried out with funds provided by the Secretary.

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(f) The Secretary shall, on a not less frequent than quarterly basis, collect and compile from the heads of State employment services and Directors for Veterans' Employment and Training for each State information available to such heads and Directors, and derived from programs carried out in their respective States, with respect to the numbers of veterans who receive counseling services pur-

suant to section 14, who are referred to employers participating under this Act, who participate in programs of job training under this Act, and who complete such programs, and the reasons for veterans' noncompletion.

AUTHORIZATION OF APPROPRIATIONS

SEC. 16. *(a)* There is authorized to be appropriated to the Veterans' Administration *(1)* $150,000,000 for each of fiscal years 1984 and [1985 and] *1985, (2)* a total of $65,000,000 for fiscal years 1986, [1987, and 1988] *and 1987, and (3) $60,000,000 for each of the fiscal years 1988 and 1989* for the purpose of making payments to employers under this Act and for the purpose of section 18 of this Act. Amounts appropriated pursuant to this section shall remain available until September 30, [1989.] *1991.*

(b) Notwithstanding any other provision of law, any funds appropriated under subsection (a) for any fiscal year which are obligated for the purpose of making payments under section 8 on behalf of a veteran (including funds so obligated which previously had been obligated for such purpose on behalf of another veteran and were thereafter deobligated) and are later deobligated shall immediately upon deobligation become available to the Administrator for obligation for such purpose. The further obligation of such funds by the Administrator for such purpose shall not be delayed, directly or indirectly, in any manner by any officer or employee in the executive branch.

[TERMINATION OF PROGRAM

[SEC. 17. (a) Except as provided in subsection (b), assistance may not be paid to an employer under this Act—

[(1) on behalf of a veteran who initially applies for a program of job training under this Act after June 30, 1988; or

[(2) for any such program which begins after June 30, 1988.

[(b) If funds for fiscal year 1986 are appropriated for the purpose of making payments to employers under this Act but are not both so appropriated and made available by the Director of the Office of Management and Budget to the Veterans' Administration on or before February 1, 1986, for such purpose, assistance may be paid to an employer under this Act on behalf of a veteran if the veteran—

[(1) applies for a program of job training under this Act within 1 year after the date on which funds so appropriated are made available to the Veterans' Administration by the Director; and

[(2) begins participation in such program within 18 months after such date.]

TIME PERIODS FOR APPLICATION AND INITIATION OF TRAINING

SEC. 17. Assistance may not be paid to an employer under this Act—

(1) on behalf of a veteran who initially applies for a program of job training under this Act after September 30, 1989; or

(2) for any such program which begins after March 31, 1990.

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VETERANS' BENEFITS IMPROVEMENT AND HEALTH-CARE AUTHORIZATION ACT OF 1986

(Public Law 99-576, October 28, 1986)

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TITLE III—EDUCATION AND EMPLOYMENT

PART A—EDUCATION

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SEC. 320. COMMISSION TO ASSESS VETERANS' EDUCATION POLICY.

(a) ESTABLISHMENT AND MEMBERS.—(1) * * *

* * * * * * *

(3) The Administrator of Veterans' Affairs, the ex officio members of the Advisory Committee on Education referred to in paragraph (2)(A), *the Assistant Secretary of Defense for Force Management and Personnel,* and the chairmen and ranking minority members of the Committees (or, in the case of any such individual, a designee of any such individual) shall be ex officio, nonvoting members of the Commission.

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